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Top Chartered Accountant

—*Photo by Nott & Merrill.*

Harvey R. Doane, C.A., of Halifax, as new president of the Dominion Association of Chartered Accountants heads the activities of its 3,707 members across Canada. He is founder and senior partner of the well known Maritime firm of accountants which bears his name.

THE NATION'S BUSINESS

If It Helps Trade Then We All Gain

Revaluation of the Canadian dollar this week gave a rough jolt to the country's economy. After its frantic efforts for readjustment during the past few days, business will not want to see this sort of financial surgery often repeated.

Events like those of this week will increase the hope that our world is moving toward multilateral trade and convertibility of currencies which will permit the end of exchange controls and let free market action determine exchange values.

It will be weeks, possibly months, before the full results can be properly appraised. First effects may be painful for consumers, but many producers gain. Because we are largely a nation of producers, the net change should be beneficial.

Canada will be fortunate indeed if, as officialdom thinks, we may escape a significant rise in our already high cost of living. We depend on the United States for a very wide range of imports, some of which, as we discovered in our own austerity program, we can not readily or willingly secure from other sources.

In the immediate future at least these are going to cost us up to 10% more than we have been paying. But we should remember that in recent months American production has been rapidly overtaking current demand and the tendency has been for U. S. prices to decline. New British competition, which the devaluated pound now makes possible, will help speed that process. By the end of a year Canadians may find that for 90 cents they will be able to buy about the same quantity of American goods as a dollar would buy last week.

Whether we buy less or pay less, the net result will be a saving in American dollars and for Canada that is still a most important consideration. In the last two years we have made much progress in bringing our trade with the United States into closer balance. But as Finance Minister Abbott warned, we are still not out of the woods. It is vitally important that we continue to push sales in the American market and the new lower Canadian dollar should help us to do it.

In our trade with Britain we face a more complex situation and one that will take longer to clear. Buyers of British goods can certainly expect to see lower prices. Already substantial cuts have been announced. For producers of competitive Canadian goods, however, this means more competition, possibly some immediate loss in markets. Our hope here lies in greater stimulation of business generally, in wider markets that will absorb the flow of goods from both British and Canadian factories.

For Canadian producers of goods for export to Great Britain, too, the new relation of our dollar and the pound will certainly bring keener competition. Our wheat, meat, lumber, and base metals are going to cost the British more in pounds.

In one important respect, we will have an advantage. The British and other sterling buyers will be able to buy more cheaply from us than from the United States. In effect the 10% discount on the Canadian dollar continues the British Preference, something that might prove very useful under normal trading.

Pound Devaluation Only First Step

Devaluation of the pound sterling is the most drastic as well as most dramatic step that Britain has taken so far in the fight for postwar recovery.

But it is only a step.

Whether worthwhile results are to follow will depend upon how willingly and how vigorously the people of Britain take advantage of their new trading position; how willingly Americans accept a flow of the other fellow's goods.

By no means is devaluation a cure for the present ills. At best it only provides a better environment.

The basic trouble stems from the unbalance of trade between the soft currency countries, particularly Britain, and the hard currency countries, particularly the United States. For a long, long time and especially since the recent war the British have been buying far more goods than they have been selling. Until this trade, visible and invisible, has been brought into balance the main problem will not have been solved.

At the old rate of exchange Britain, her colonies and her various sterling partners, have been meeting increasing sales resistance in the United States. Prices have been out of line. But there were other difficulties, too, such as late delivery, unsuitability of goods in certain foreign markets, and grave lack of modern salesmanship.

A drastically lower pound paves the way for overcoming the main difficulty. A revival of the spirit which once made Britain the world's workshop could solve the others.

Right now the British are offered by far their best opportunity in the last 50 years of really pushing sales in the United States. They are practically guaranteed against tariff increases, they are given a chance of cutting their prices up to 30%. But to reap this advantage, the British must keep their costs down, must get their production up. Simply selling the present volume of goods at a higher price will get them nowhere. Far more goods must be produced and sold. As the London Economist says:

> "To produce any benefit, devaluation will have to be accompanied by every form of retrenchment, every measure to cut costs and to resist further wage inflation . . .
>
> "A 'vigorous attack' on costs means change, new and better ways of production, the pressure of unemployment and lower profits, a standard of living maintained only because it is earned with the social services as a part of that standard not as a free extra."

Threats of strikes and slow downs, such as have been reported from Britain this week, do not fit in with that picture. If devaluation is to be followed by a general rise in costs, then there will be no gain whatever for the British people,—only more crises, more austerity, more misery.

Will United States Lower Its Prices?

That's Major Question in World Attack on U. S. Markets Via Devaluation—Canadian Move Cushions Adjustment of Trade

By KENNETH R. WILSON

OTTAWA—What happened this week is the greatest mass movement in history to increase the value of the American dollar.

From now on, almost half the people of the world will have to pay 44% more for everything they buy from the United States. That is: until or unless the U. S. cuts its prices.

On Sunday Canada found herself in the same position as the U. S. when we learned that Britain had "thrown the book" and slashed her currency 31%.

This is the very outside limit of what had been looked on in Ottawa as possible. Our officials had thought it couldn't be less than 20 per cent; had 30% as the very outer edge of possibility.

Canada was prepared to ride out a modest British devaluation. But it was realized at once that we couldn't live in a world where everything we sold to non-dollar countries (60% of our total exports) would cost these customers a 44% premium.

It was the infectious violence of the devaluation virus which turned the tide for Canada. It can be stated authoritatively that several countries were prepared to outride the British devaluation if it had not been so severe. But when Scandinavia and other European and most Commonwealth countries dropped the full 31% the die was cast for Canada.

That's why Canada "cushioned" this world-wide attack on the U. S. dollar by her own modest 9% cut. This means our prices are now only 31% higher to non-dollar buyers.

Why did we choose to put a 10% premium on U. S. dollars rather than devalue by a straight 10%?

The chief reason is tourist trade.

If we had devalued by 10% we would have legally had to give U. S. tourists $1.11 and a fraction (Canadian) for each of their U. S. dollars. This would have been clumsy and almost impossible to enforce.

By putting U. S. dollars at a straight 10% premium, we gain an important sales point in the field of tourism; we cut out a lot of red tape. Once the government decided our devaluation should be of the order of 10%, this price was inevitable, it's the same as 1939.

What's all this mean to jobs, to prices?

A worldwide devaluation against the dollar is a deflationary move in terms of North America. That means that U. S. prices will almost certainly fall; unemployment increase. We in Canada have cushioned ourselves against this by our 9% devaluation.

Thus because we must import so heavily from the United States, it is expected here that the Canadian price level will resist this pressure.

One estimate is that by 1950, our wholesale price level will be 5 to 7 points higher than that of the U. S. at that time.

That doesn't mean a rise of that many points in Canadian prices. What is more likely is that the U. S. prices will drop and we may stay about where we are. That will depend on how far U. S. prices recede.

In retail prices, it is thought here that the "spread" will be about half this amount; that Canadian prices will diverge 2 to 4 points away from U. S.

Another important point: Conditions now are very different to 1946.

"Modest" Increase

At that time, Canadian living costs were substantially below those of the U. S. because of wartime price controls. Also, prices then were on the rampage in the U. S. Therefore, even our return to parity in 1946 cushioned only in part the general inflationary pressure on this continent.

Today it's argued that if there is any increase in Canadian living costs it will be "modest" and possibly temporary. Canadian prices will rise relatively to those of the U. S., but may flatten as U. S. prices turn down. As to Canadian jobs and employment, the two biggest imponderables are these

1. Will the "heroic" British effort succeed?
2. What will happen to business and to American politics as a result of devaluation?

The point about Britain is this: By taking so drastic a step as a 31% devaluation, she has really lowered her living standards by this amount in terms of North America. To be effective, she'll need to make this "stick" at home.

Britain will also need to get cooperation from the rest of the sterling area.

If the rest of the sterling area now goes on an inflationary spree, that is if it doesn't hold wages and costs down as the British want to do, this might nullify in whole or in part the British effort. It would mean sterling prices would rise in other parts of the world and that British goods (which it is now hoped will go to dollar areas) would again be bid up by rising and therefore more attractive sterling prices.

If this happens, we in Canada might shortly face the split-world

(Continued on page 3, col. 5)

PRICES

A wide range of products will be affected by sterling and Canadian dollar devaluations, but changes may not be as extensive as appears likely at first glance.

Due to go up here:
- Gasoline.
- Fuel oil.
- Coal
- Base metals :
- Canned fruit juices.
- Coffee.

Due to go down:
- Tea
- Cocoa.
- Scotch whisky.
- British automobiles.

UK's Big Hopes Are In Steel, Capital Goods

OTTAWA (Staff) — British hopes in the Canadian market now centre chiefly on steel, textiles and capital equipment. But there's little hope of greatly expanded trade in anthracite coal, fine chinaware or whisky.

Important possibilities are seen for steel for if the British take full advantage of their new 24% advantage they can match Canadian prices. As well they've also got the cover of an overall 10% increase on prices of U. S. steel in Canada.

Britain is currently producing about 15.5 million tons of steel, exporting about one million tons of sheets, bars, plate etc. and probably another million tons in other forms. Canada's present over-all import needs are a million tons annually and it's thought that there are especially good possibilities of switching plate and sheet imports, from U. S. to U. K.

On the general picture one British trade official told The Post:

"Main point in devaluation

(Continued on page 2, col. 4)

Inside News

New Push For Industry

Next week's first conference of provincial industrial development agencies signals a newly-concerted drive for industrial growth in the 1950's. Will it set a new pattern of close co-operation among all industrial promotion groups, federal, provincial, municipal, bank, railway and board of trade? The working officers of 11 government agencies get together with that idea uppermost (p. 13).

Exploiting Schoolboys?

Sport needs the boys. The boys need sports, and sometimes a piece of the gate. Why not, so long as it doesn't interfere with schooling? So say some respondents following the Anglican synod's criticism of "shamateurism." Question (p. 17).

Unions Push For Pensions

Canadian industry can expect "welfare state" pension and fringe demands to head labor's bargaining list in 1950, especially in pace-setting steel. New impetus is given the union's drive by the Truman fact-finding board report on what's wrong in big steel (p. 10).

U. S. Tariff Fallacy

The world is being fed a mischievous half-truth: that the U. S. no longer is a high-tariff economy. Washington's promise of lower imposts could be mostly pious hope. K. R. Wilson (p. 13).

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Kicked Out of Congress Reds May Cause Strikes

By RONALD WILLIAMS

CALGARY (Staff)—Communists and fellow travelers in Canada's labor movement were running for cover in all directions this week.

Here, in the high-roof, drafty Calgary armories, a determined Trades and Labor Congress convention of 1,000 kicked out the Communist Seamen's Union and reduced the usually well-disciplined, united Red minority to a disorganized rabble.

They had the comrades so confused and befuddled that at one point, two key spokesmen found themselves on opposite sides of the fence. Others abjectly about-faced at the last minute.

A dismal two-hour debate plus a three-hour roll-call vote was all that was needed to inflict on the Reds their most humiliating defeat since they began to be a menacing factor in Canadian trade unions.

Next month, they're due to get more of the same at the Canadian Congress of Labor convention in Ottawa. According to reports, what's in store for the Reds there will turn the retreat into a rout.

Trouble for Industry?

But, ironically, labor's victory over the Reds could mean trouble for business and industry. Employers who are forced to deal with a Red union by laws, will be the chief victims, particularly if that union is kicked out or withdraws from either of the two Congresses.

With expulsions as the Reds are forced to retreat, or withdrawals looming, or perhaps to toe a new party line, some employers are wondering what's going to happen. Once a union has been kicked out or withdraws, other unions would feel free to raid. Caught between the two, employers could get hurt.

At worst, it could mean a nasty jurisdictional strike; at best disruption and internal friction and lower productivitiy as the raided and raiders fight it out.

Some employers have already got the dirty end of the stick. Shipping firms which renewed

(Continued on page 2, col. 1)

U.K. Will Get Our Wheat While Congress Blames Us

OTTAWA (Staff) — Canada-United States relations are due to be sorely tried and tested over the explosive $175 million wheat deal.

This deal is an arrangement worked out at the Washington conference whereby Economic Co-operation Administration is authorized to okay "offshore" purchases by Britain of $175 million of Canadian wheat during the second ECA year which ends next June.

Unless toppled by an angry Congress, this deal is supposed to write "finis" to a situation which has been brewing since early last year when an impending U. S. wheat surplus made British wheat purchases in Canada, with ECA funds, highly vulnerable (Financial Post, Feb. 19).

The argument about offshore wheat purchases raged for many months in Congress last spring. Finally a compromise was reached: that wheat wouldn't be officially declared "surplus" by the U. S. Department of Agriculture (and therefore ineligible for purchase outside the USA) but instead, the British would agree to use no ECA funds for the purchase of Canadian wheat.

Now, at the British request, this position has been reversed.

U. K. to Buy U. S. Wheat

As disclosed officially in an exchange of letters between ECA Administrator Paul Hoffman and U. S. Secretary of Agriculture Charles F. Brannan, a "liberal" construction of the law had been required. In return, the British have agreed to buy 15 million bushels of wheat in the United States and also $8 to $10 million of perishable foods in long supply in the United States. Canada has also agreed to ease her restrictions on fruit and vegetable imports.

Already U. S. Senators are claiming "we wuz robbed." They are trying to unseat the arrangement. To the extent that this becomes a red hot political issue in the United States, Canada will get the brunt of the criticism because it is generally supposed that the deal was made to benefit us.

Yet according to best-informed opinion in Ottawa, Britain and not Canada, stands to gain most by the $175 million deal.

This point is almost universally misunderstood. Even the well-informed Whaley-Eaton letter this week gives space to the fact that Canada was the chief gainer from the Washington conference by reason of this wheat deal.

What's contended here in Ot-

(Continued on page 2, col. 4)

New Program For Housing Offers 3-Way Assistance

OTTAWA (Staff) — Aid to home owners and a new 75-25 program of Federal-Provincial aid for publicly assisted housing projects are highlights of the new Federal housing program.

The home-owner provision will extend CMHC authority to permit a direct loan to home owners equal to one sixth of the loan made to the builder. This means the maximum loan of $8,500 now permitted to builders will be raised to $9,900—one sixth of which would be a direct loan to the home owner himself.

The chief condition of such a loan would be that the sale price to the home owner must be "fair and reasonable." The same new aid will be extended to persons building houses for their own use. Interest rates on the extended loan will be the same as now given to builders. Under the new proposal there would be two advances, one to the prospective home owner, the other to the builder.

The new aid for publicly assisted housing projects takes the form of joint development and management under combined Federal-Provincial auspices. Three types of projects are included. One, clearing and servicing of new housing acreage. Two, Federal-Provincial housing projects for sale to home owners. Three, rental projects under local management.

In recent discussions with the provinces, it is understood the provinces favored especially the first two forms of development. However, the Government has decided to offer assistance to rental projects if the demand comes for these from the municipalities through provincial channels.

Basis of the new aid for all three types of development is that costs well be borne on a 75-25 basis between Ottawa and the provinces. Also, annual profit or loss on any project will be borne on the same 75-25 basis. All projects must be initiated by the provinces (that is, there will be no direct dealing between Ottawa and municipalities).

Quebec Govt. Plans New Offices In London, Paris

Quebec's provincial government is expected soon to reveal plans to open two "Quebec House" offices abroad, one in London, another in Paris, for promotion of trade and industry and for tourist and immigration liaison, The Financial Post understands.

Several of the other provinces have offices of the kind in London but Quebec may blaze a new Canadian trail on the Continent.

At next week's national conference of provincial industrial development agencies, to be held near Lindsay, Ont., Deputy Minister Louis Coderre of Quebec Trade & Commerce is expected to announce sharp increases in the provincial budget for trade and industry promotion; may also make some reference to the London and Paris offices project.

For Pace of Business See Page 3: Full Details Industry By Industry of Devaluation Reaction—Pages 3, 4, 7, 19, 22

What Currency Cuts Mean To Industry and Consumer

Here are Immediate Changes, Trends in Canadian-U.K.-U.S. Trade, Prices — Consumers Benefit in Some Lines, Are Hit in Others

Out of the welter of confusion and frantic readjustment following devaluation by the British, 19 other countries and Canada, only one thing stood clear: the next quarter would be a period of widespread readjustment throughout the economy.

The main questions Canadians were asking were:

What new competition would our producers have to face from the British, now working with a pound cheapened by 23.6% in the Canadian market, 30.5% in the U. S.?

What dislocations were in prospect in Canada's export trade?

Would Canadian devaluation boost prospects for further U. S. investment here?

What would happen to the cost of living?

Would there be a flood of cheaper British goods to the Canadian markets and what goods?

How far was all this leading us back along the path to free world trading, the interchangeability of currencies so important to our prosperity as a trading nation?

It will be some time before there are answers to these questions. For one thing, indications of British price action were few. One concrete case was automobiles. For the rest, importers found nothing but confusion.

And the first flurry of optimism based on ill-considered suggestions of 20%-30% price cuts all down the line on British goods was giving way to more sober scepticism. It was far from certain that there would be price adjustments on any grand scale on U. K. goods. And it still remained for British producers to do a real selling job.

It was clear that in many lines there was little disposition on the part of the British manufacturer to do more than make minor adjustments and it was freely suggested that in many industries they would hold on to every last penny of profit margin as long as they could.

Here's industry-by-industry reaction, probabilities resulting from devaluation, as gathered by The Post:

Investments: High-grade Canadian bond prices strengthened. Our devaluation disappointing to holders of golds, industrials. Significant volume of English selling in some securities. Boost seen likely in U. S. investment here—U. S. has been bullish on Canada's future for some time, but many investors thought to have been holding back for Canadian devaluation.

Autos: Cuts of $200 and up on British cars; greater competition for Canadian manufacturers, possibly higher prices because U. S. materials up.

Machinery: Britain seen in excellent position to do all the business she needs here in many lines providing quotations, deliveries. servicing up to requirements. Big push coming from British in all engineering. Some capital goods still out of line, however.

Retail Trade: Department stores generally in good inventory position to take quick advantage of any lower British prices. Hard to say what British goods will be more plentiful; it's pointed out that in quite a few lines drastic reductions would be necessary to bring U. K. prices into line. Little concern over U. S. increases. Some "devaluation sales" expected to spur buyer interest.

Gold: Big question at midweek: would Emergency Assistance Act be modified? If so, $3.50 boost won by devaluation partly lost. Newly financed projects likely to benefit anyway, also lower-cost producers, by-product producers.

Nickel: Outlook good. Sure winners (through our devaluation): International Nickel and Falconbridge both selling 75% output in U. S.

Copper: Outlook encouraging. U. S. market firm. Price marked up 1¾c. to 19⅜c. a pound in Canada.

Lead: Outlook optimistic. U. S. prices stay steady. Lead jumps 1⅜c. to 16½c. a pound in Canada.

Iron Ore: Prospects excellent for Algoma and Steep Rock as big U. S. suppliers. Marketing problems for Newfoundland's Wabana as U. K. supplier. Profit potential for Hollinger Quebec-Labrador development improved; financing may be speeded.

Aluminum: Better sales in U. S. market, with 10% edge, dollar earnings in sterling markets seen holding, maybe up since few alternative sources of supply.

Oil: Boost in receipts for Western oil, greater volume of exploratory work by U. S.-financed interests.

Coal: Prices up to Canadian consumers by weekend, probably $1.50 a ton on anthracite, $1 to $1.25 on soft coals. Likely opportunity for Welsh anthracite to get on to competitive basis next spring.

Gasoline: Boost of 1c to 2c a gallon seen within 30 days on U. S. supplies. Position on sterling-area supplies uncertain.

Crude Oil: Increase of 35c. bbl. seen for Eastern Canada refiners, maybe more.

Woodpulp: Selling troubles ahead in both sterling and dollar markets against Scandinavian producers; 10% advantage over U. S. pulp producers in U. S. and other markets.

Newsprint: Little effect on competitive situation in U. S. and other dollar markets, Scandinavian newsprint gains advantage in sterling markets, doesn't affect U. S. market since tonnage unimportant.

Timber: Industry seen benefiting, despite what is, in effect, 25% rise in prices to sterling area; expects better business in U. S.

Wheat Flour — U. K. devaluation may force British to turn to sterling area at end of contract with Canada. Our prices up to other countries. (Story on page 19.)

Meat packing: More U. S. buying would strengthen Canadian meat prices; this would take edge off 10% benefit we might get in export markets where payment in U. S. dollars.

Fisheries: Drastic drop in demand for Newfoundland salt codfish seen in important European markets (presently taking 40% island's output), with Norway, Iceland now in better position to supply.

Shipping: Canadian services, undersold by British devaluation, now seen at "hopeless disadvantage"; financial assistance under Government's proposed shipping bill seen only hope.

Shipbuilding: Canadian companies see future foreign contracts unlikely unless British fall down on delivery dates. Government's shipbuilding program may benefit by reduced sterling costs.

Aircraft: British planemakers now seen in excellent position for cracking both U. S. and Canadian markets in jet field. Canadian manufacturers benefit slightly in competition with U. S.

Textiles: British competitive position increased by pound cut; raw material costs up for Canadian producers through our dollar devaluation. Higher landed prices for U. S. textiles; any appreciable price adjustment on prices of British goods problematical.

Tourism: Cheaper wintering for Canadians in Bermuda and BWI; a lift for our own tourist trade with Americans getting premium on their dollar. Shipping companies looking for bigger volume of Canadian tourist travel to Britain, Europe.

Chinaware: British prices up this week so importers expect little if any benefit to Canadian consumer.

Leather Goods: Canadian consumer promised "major part" of saving on British leather goods through sterling devaluation; prices quoted by U. K. manufacturers to remain stable for present.

Silverware, glassware, carpets: British price picture uncertain.

Cocoa: Should cost less through sterling devaluation since 60% of supplies from West Africa. But price depends on what U. K. can get on New York market.

Sugar: Lower prices in prospect in British West Indies with Canada doing more buying there if U. K. Government allows.

Coffee: British East Africa prices now more attractive especially as dollar devaluation ups South American prices.

Fruits and vegetables: Big question is future of import bans, in which substantial changes expected in relaxation of embargoes. Citrus fruits to cost more; some switching to sterling area supplies expected.

Insurance: Business, over-all, seen little affected. Assets shrink in U. K., gain in U. S. roughly offsetting each other.

Building Materials: Prices up for American materials but added cost in home-building small. British window glass seen in better demand, supply.

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New Red Strikes Ahead?

(Continued from page 1)

agreements with the CSU found their ships picketed and tied up by the rival Seafarer's International.

More recently, International Nickel at its Port Colborne refinery found itself involved in a left-right fight between the CIO Mine, Mill and Smelter Union and the CCL. Inco is also in the middle at its big Sudbury refinery. So are half a dozen gold mine operators in Northern Ontario.

Mine, Mill, long a party-line supporter, has been under CCL suspension for six months. It comes up for final decision at Ottawa next month. But already, Robert Carlin, Canadian Director, has indicated his union will withdraw.

This will leave the big CIO Steel Workers free to resume its invasion of Mine, Mill jurisdiction. When the steel union launched its campaign originally, Mine, Mill was still in the CCL along with the steel workers. The CCL jurisdiction committee told Steel to quit. Now Steel is free to resume organization.

So far only these two unions are involved. But as the anti-Red offensive gains momentum, other Red-run unions and employers who have to deal with them, will be on the spot.

Other industries compelled to do business with Red-line unions include; electrical; chemical; gas — utilities; explosives; shipbuilding; fish canning; automobiles and farm implements; textiles; pulp & paper; needle trades.

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How Will Devaluation Affect Import Controls?

OTTAWA (Staff) — No one here in Ottawa seems willing to go out on a limb as to what's going to happen to our import restriction program following devaluation.

It is pointed out that what happened this weekend is so worldwide in effect and so violent in character that it will take at least three months — possibly six months — for the dust to settle.

The eventual pattern of Canadian import controls will hang on what happens to our over-all balance of payments—our ability to balance our accounts and maintain our reserves of U. S. dollars and gold. And today, almost every known factor that influenced these in the past has been changed.

Broadly speaking, the new 10% brake on U. S. imports imposed by Canada's devaluation should prevent the imposition of any new controls.

It may permit some controls to be eased and eventually eliminated—but not yet. We'll probably "wait and see"—at least until the year-end, for it's not yet at all certain that Britain herself is going to be able to withstand the terrific shock of her dollar-rate purge; let alone the other countries in the sterling area. Nor do we yet know what's going to happen, to business and confidence in the United States as a result of this frontal attack on the U. S. dollar.

One exception to the "wait and see" rule is probably fruits and vegetables. We made a commitment at Washington to review these controls and this will probably be done very shortly (see separate story).

Noronic Loss Fully Covered Declares CSL

MONTREAL (Staff) — Directors of Canada Steamship Lines have not yet considered replacement of the passenger vessel Noronic, destroyed by fire at Toronto last weekend with known loss of more than 130 lives. Company efforts at present are being concentrated on helping alleviate the suffering and hardships of survivors and relatives.

Company earnings are not likely to be materially affected by loss of the ship, The Financial Post is informed. Revenue from the Noronic did not represent a substantial factor in the total company earnings picture, it is stated.

Built in Port Arthur in 1913 at a cost of $1.5 million, replacement cost has been estimated as high as $9 million.

Liability of the company cannot be gauged until after full investigations. A preliminary inquiry has been ordered by the Federal Department of Transport, and an Admiralty court of inquiry will also sit.

Shipping men here point out that there are some limitations, under the Canada Shipping Act, on public liability of owners in accidents involving ships. Under section 649 of the act, in the case of an accident which occurs without the fault of the owner, maximum liability for loss of life is $72.97 per ton of the ship involved; for goods, $38.92 per ton. There are also some other conditions under which liability is restricted. Whether this section would be applicable, however, is not known. Tonnage is defined as registered tonnage (i.e. net) plus an addition for the tonnage represented by engine room space (which is said to constitute over half the difference between net and gross). Noronic was registered at 3,935 tons net, and 6,905 gross.

Also unknown, are terms and amount of the insurance policies carried on the Noronic. The company states that the hull itself is "amply covered." With regard to public liability, directors consider that insurance carried is sufficient to take care of all claims, it is stated.

The company would not reveal the exact amount of either type of insurance, although when queried whether the insurance would cover the maximum liability figures set out in section 649, a company spokesman stated that insurance was for "substantially more" than that amount.

Chem. Research Suit Continued

An application of American Locomotive Co. in the U. S. District Court, Detroit, Michigan, to dismiss the suit of Chemical Research Corp. without a trial has been denied by a federal judge, The Financial Post is informed. The case is stated to now stand before the court for trial.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED
PREFERENCE DIVIDEND No. 153

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Preference Shares of the Company has been declared for the quarter ending September 30, 1949, payable November 1, 1949, to shareholders of record at the close of business October 7, 1949.

By Order of the Board,
H. S. ALEXANDER,
Secretary.

Hamilton, Canada, September 19, 1949.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED
ORDINARY DIVIDEND No. 131

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the Ordinary Shares of the Company has been declared for the quarter ending September 30, 1949, payable November 1, 1949, to shareholders of record at the close of business October 7, 1949.

By Order of the Board,
H. S. ALEXANDER,
Secretary.

Hamilton, Canada, September 19, 1949.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Aluminum Company of Canada (Montreal) — David H. Ferguson, works manager, Shawinigan Falls, Que., fabricating and smelter plants.

Alberta Govt. (Edmonton)—Kenneth J. Hawkins, deputy provincial treasurer.

Association of Medicine Schools of Canada — Dr. Charles Vezina (Quebec City, Laval), president.

Alkin-McCracken Ltd. (Toronto) —H. Ernest Paul, a vice-president.

American Society of Agricultural Engineers — Prof. L. G. Heimpel (Montreal, Macdonald College), chairman of North Atlantic section.

Bank of Montreal — Chester O. McGirr, manager, Ottawa main office.

Canada Govt. (Ottawa) — Surgeon-Capt. Archie McCallum, chairman, defense medical service advisory board.

Central Mortgage & Housing Corp. (Ottawa) — J. C. Calcutt, St. John's, Nfld., branch manager.

Canadian Good Roads Association (Montreal) — Hon. Errick F. Willis (Winnipeg, Manitoba Works Minister), president.

Canadian Weekly Newspapers Association — Roy M. Bean (Waterloo, Ont.), president; Lang Sands (Mission City, B.C.), A. W. Hanks (St. James, Man.), vice-presidents.

Molson's (Ontario) Ltd.—H. R. Calvert, assistant sales supervisor.

Colombia Govt.—Gen. Carlos J. Isaza, consul-general to Canada.

Consolidated Mining & Smelting Co. of Canada (Montreal)—L. O. Reid, secretary.

R. L. Crain Ltd. (Ottawa)—Robert F. Chisholm, a director.

Distillers Corp.-Seagrams Ltd. (Montreal) — Telford V. Kenney, assistant sales manager for Ontario.

Dominion Association of Chartered Accountants — Harvey R. Doane (Charlottetown and Halifax), president; K. S. Morrison (Calgary), A. E. Beauvais (Quebec City), vice-presidents.

Engineering Institute of Canada (Montreal) — C. E. Sisson, field secretary, at Toronto (new office).

Eastern Trust Co. (Halifax) — Alex Knox, Saint John branch manager.

Excelsior Life Insurance Co. (Toronto) — A. Bruce Matthews, president.

Harry E. Foster Advertising Ltd. (Toronto) — Robert W. Ball, account executive, Toronto office.

Great-West Life Assurance Co. (Winnipeg) — John M. Bragg, assistant actuary; R. Lucien Clement, Sherbrooke branch manager.

Grand'Mere Knitting Co. (Grand' Mere, Que.) — Allan Becker, executive of sales promotion in national sales office, Montreal.

Grolier Society of Canada Ltd — A. E. McBride, president.

Guaranty Trust Co. of Canada — R. W. Keeley (Windsor), a director.

House of Commons (Ottawa) — Ross Macdonald (Brantford, Ont.), speaker, House of Commons; Joseph A. Dion (Lake St. John, Que), deputy speaker.

Industrial Acceptance Corp. (Montreal) — D. E. Cameron, Corner Brook, Nfld., manager of new branch; J. H. Monteith, Peterborough, Ont., D. G. Ryan, Sarnia, Ont., A. F. Crawford, Fredericton, N.B., branch managers.

International Civil Aviation Organization (Montreal) — Brig. C. S. Booth, chairman air transport committee.

International Association of Game, Fish & Conservation Commissioners — Dr. Harrison F. Lewis (Ottawa, chief, Dominion Wildlife Service), president.

International Fisheries Commission — George Clark (Ottawa), member.

Kennecott Copper Corp. (New York) — Carl T. Ulrich (vice-president and treas.), chief executive pro tem.

Lebanon Govt. — Nadim Dimechkie, consul-general to Canada.

Montreal Advertising & Sales Executives Club — William Hamilton, general manager.

McMaster University (Hamilton, Ont.) — Dr. H. C. Thode, head of Hamilton College.

Northern Great Lakes Area Council — Tom McCall (Toronto), president.

Nova Scotia Union of Municipalities — C. B. Conrad (Lunenburg), president.

Navy (Ottawa)—Cmdr. Howard L. Quinn, director of naval reserves.

Ontario Broker-Dealers' Association (Toronto) — W. M. Wismer, executive secretary.

Ontario Flue-Cured Tobacco Marketing Association (Simcoe)—W. E. Adams (Simcoe), a director, representing District No. 10.

Ontario Teachers' Federation — Eileen M'Gonigle (Toronto), president.

Personal Finance Co. of Canada (Toronto)—William G. Weiss, Kitchener, Ont.; Thomas S. Cooke, Windsor, Ont. (new branch), branch managers.

Provincial Insurance Superintendents' Association — John A. Young (Regina), president.

Quain, Bell, Carreau, Giles & Gillies (Ottawa) — Richard A. Bell, partner (law).

Quebec Province Chambers of Commerce—Maurice Trudeau K.C. (Montreal), president.

Royal Trust Co. (Montreal) — E. D. Parker (supt. of branches), asst. general manager.

Toronto General Trusts Co. — A. Bruce Matthews, a director; Hugh E. O'Donnell, K.C. (Montreal), a director and chairman of Montreal advisory board; Air Vice-Marshal F. S. McGill, member, Montreal advisory board.

United Nations Assembly—L. B. Pearson (Ottawa), chairman, political committee.

University of Western Ontario (London) — Dr. R. G. E. Murray, head of dept. of bacteriology and immunology.

Weston Bakeries Ltd. Toronto) — H. S. Conrad (Winnipeg, vice-president), to head office.

Western Petroleum Association— Frank M. McMahon (Calgary), director.

Consolidated Mining & Smelting Co. of Canada, Montreal, announces the retirement of J. E. Riley, secretary.

Royal Trust Co., Montreal, announces the retirement of John F. Wilkes, senior assistant general manager.

Eastern Trust Co., Halifax, announces the retirement of John Gillis, manager Saint John branch.

The Royal Bank of Canada, Montreal, announces the retirement of J. L. Lawson, supervisor of banking arrangements.

International Civil Aviation Organization, Montreal, announces the retirement of Ivor H. McClure, assistant secretary-general for air navigation.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Where to find market research data, whether in Canada or in the United States, is to be outlined in a directory now being prepared by a committee of the Association of Canadian Advertisers.

To be ready for presentation at the ACA convention in Toronto next month, the directory will list the data and services available in the market research departments of manufacturers, of publishers, of advertising agencies, of firms specializing in this field, etc.

The listings have been compiled by a committee of ACA members in Montreal, under the chairmanship of G. Walter Brown, executive vice-president, Bristol Myers Co. of Canada, with active assistance from Spaulding Black, Canadian Industries Ltd.

• • •

Walsh Advertisng Co. (Windsor) says Blue & Gold brand wax beans are to get first national advertising in Canada. Campaign for Fine Foods of Canada Ltd., Tecumseh, Ont., will be launched in November, using magazines, trade and weekend papers, and dailies.

• • •

Tandy Advertising Agency (Toronto) says fall and winter campaign for Brantford Washing Machine's Locomotive model recognizes husband's influence in choice of household appliances. Half-page space in national magazines is divided into quarter-page units (filling two outside columns, with editorial material between); one half carrying housewife's endorsement, the other her husband's.

• • •

Christy McDevitt, former Vancouver newspaperman and trade paper editor and now a north Vancouver alderman, establishes public relations business in Vancouver, with offices at 416 Daily Province Building.

• • •

Canadian Industries Ltd. won two awards in Direct Mail Advertising Association's 1949 competition for best promotion in various classifications in United States and Canada. CIL's agricultural chemicals promotion was judged first in that industry. The Canadian X-Ray News Letter tied with another firm for the merit award in this year's best of industry contest.

Harry E. Foster Advertising Ltd. appoints Robert W. Ball as account executive in its Toronto office.

• • •

O'Brien Advertising Ltd. (Vancouver) reports institutional-type campaign for Architectural Institute of B. C. will get under way next month with 420-line display in Vancouver newspapers; letters to business and community leaders, and booklet, now in preparation.

• • •

The F. H. Hayhurst Co. places autumn campaign for Semet-Solvay Coke in Toronto newspapers, using 420-line and 140-line space on average bi-weekly schedule, with precise insertion dates depending on weather.

U. K. Will Get Our Wheat While Congress Blames Us

(Continued from page 1)

tawa is that in 1948 and now again in 1949-50 because of the wheat deal, Britain will be receiving more ECA dollars for off-shore purchases in Canada than she needs to cover her Canadian dollar deficit.

Covering U. K. Shortage

Last year this excess was very considerable. Probably something like $200 to $250 million during the period when ECA purchases were at their peak.

This means that by reason of ECA off-shore purchases in Canada, Britain not only met her Canadian deficit but had $200 or $250 million left over for meeting other dollar "gaps." These dollars were therefore available from Canadian account and could be used to meet the U. K. dollar deficit in other sterling areas.

What's claimed now is that by getting the privilege of using $175 million of ECA funds for Canadian wheat in 1949-50, the British Government will again have available in Canada more ECA funds than she needs to meet her Canadian deficit.

Thus the argument: that this most recent deal is an "accommodation" by the Canadians to meet British convenience and that it is Britain, not Canada, which is the chief beneficiary.

Accordingly, so the argument goes, Canada is about to take the rap in Congress for a transaction which is not especially palatable in Ottawa since it makes Canada highly vulnerable at Washington and tends to put too many Canadian ECA eggs in the one basket.

There is another side to this transaction which is stressed by the British and in Washington.

For one thing, the British maintain that there will not be a very large "excess" of ECA funds, after the Canadian "gap" is looked after.

Too much to Spend?

Next, it is argued that if the British had not received this wheat accommodation at the recent conference, it is more than likely that they would have been unable to spend the entire U. K. allocation for 1949-50. In short, there simply wouldn't have been enough eligible items on the Washington list to add up to Britain's present allocation of about a billion dollars, unless she repudiated the Canadian wheat contract and purchased most of her wheat in the U. S. itself.

That means, in the British and U. S. view, that the Canadian wheat contract might well have become "vulnerable" and that without the $175 million switch the British would have had to renegotiate the final year's arrangement with Canada.

There is one further point: the impact of this new deal on Canada's future relationships with Washington and London.

It is argued that Canada is protected this year, which is the final year of her wheat contract with U. K.

But what about next year when the U. K. contract will have expired?

By making U. S. Congressmen mad over the $175 million deal, it is argued Canada puts herself in a very bad bargaining position for 1950-51, when she may really need some help in financing the sale of a large wheat export to the U. K.

UK's Big Hopes Capital Goods

(Continued from page 1)

from the British manufacturers' point of view is that he is now offered an incentive in the dollar market that he never had before. With devaluation of this scope, he can both bring prices into line, and thus increase sales, at the same time widening the profit margin for himself — and mostly he always figured it as too narrow.

One of the big question marks in the present situation is "Will Britain's traditional sterling area markets go inflationary?"

If this happens the new incentive to ship to dollar markets would be removed. For it's not enough for Britain to undertake to hold the 31% devaluation line (in U. S.). The sterling area as a whole must hold it as well to avoid a wastage of the present advantage.

Obituaries

Henry B. Greenwood, 68, Sault Ste. Marie, Ont. metallurgical consultant, Algoma Steel Corp.

Antoine C. Taschereau, 85, Quebec City, former clerk of Quebec legislature, brother of former Quebec premier Hon. L. A. Taschereau.

Esidore Wisenthal, 60, Montreal, president Stag Shoe Co.

Earl N. Hook, 41, Toronto, secretary-treasurer Tomahawk Iron Mines Ltd.

John Denzil McCaul, Toronto, president, John McCaul Ltd., advertising.

George Ego, 58, Brantford, Ont., chief engineer, Massey-Harris Co.

Alvin C. Murray, 54, Gull Lake, Sask., CCF member of Saskatchewan legislature.

C. Leonard Chapman, 65, Montreal, vice-president, Scotch Anthracite Coal Co.

Walter R. Legge, Granby, Que., past president of Canadian Weekly Newspapers Association, publisher of Granby Leader-Mail.

William S. Marsh, 68, Dauphin, Man., owner and editor of Dauphin Herald & Press.

Dr. G. G. Sedgewick, Vancouver, retired former head of Dept. of English, University of British Columbia, author, newspaper columnist.

British Manufacturers of telephone equipment (fully intercommunicating push button, handset instruments with key controlled master loud-speakers for executives) wish to contact local engineering concern who would be interested and capable of undertaking sales installation and maintenance of their equipment. Only first class, well-established organisations need apply. First class bank references given and requested.
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BOX 267, THE FINANCIAL POST, TORONTO.

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Strong Canadian Life Company with Home Office at Toronto (Ordinary and Group Agencies across Canada) requires high calibre man for field training and supervisory work. Must have demonstrated abilities as a recruiter and trainer of agents. Good salary, pension, group insurance and hospital and sickness plan. Excellent future for the right man. Our people know of this advertisement. Full particulars in confidence to

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Case Studies in Internal Auditing • The Consolidated Balance Sheet of Affiliated Companies • Is It Good Business?
and other articles

— AND —

THE TAX REVIEW
Latest Tax Decisions, Regulations and Directives

SEPTEMBER
$5.00 a year Issue $5.00 a year

Effects, Trends of Currency Changes

Boon For Aluminum in $ Area

Devaluation will help Canadian aluminum in the U. S. and in other dollar markets. It will at the same time increase the cost to sterling customers by about 23%.

Aluminum Co. of Canada can now get a 10% premium for its aluminum sales in United States. Or it could also mean that Canadian aluminum could sell for 10% less, which would enhance its competitive position. It is expected that the price will remain unchanged to U. S. customers for the present at least. If so, Alcan may collect as much as $200,000 in premiums on U. S. sales, in 1949.

The increase of approximately 23% for U. K. and sterling countries won't encourage buying but there are few alternative sources of supply. Also aluminum in fabricated form is an important item in U. K. export trade. If, as is hoped, Britain can increase its exports by the devaluation move, it is possible that this will more than offset the increase in price, provided manufacturing costs can be held down. On this basis British purchases of aluminum from Canada may be greatly reduced.

In competition with U. S. aluminum, the Canadian product will have competitive advantage of 10% in world markets generally.

U. K. purchases of Canadian aluminum last year were about $40 millions. With devaluation this would have cost $49 millions. In 1949 British purchases are about 20% higher. Earlier this year Britain anounced that it would reduce imports of base metals one-quarter although existing contracts would be honored. While the U. K. plans for aluminum are not known, the net result is likely to be that it will purchase fewer pounds of aluminum but will have to pay out as many dollars for it.

Big Difficulties For Nfld.

ST. JOHN'S — Major marketing difficulties are seen for Newfoundland primary producers as a result of sterling devaluation.

Norway and Iceland are seen big competitors for Newfoundland's salt codfish markets in Europe (which presently take 40% of the island's output). Sulphite, newsprint and iron ore are other main commodities affected.

So far as newsprint alone is concerned Bowater's pulp and paper mills won't be affected because most sales are to dollar areas, but Anglo-Newfoundland Development Co. selling mainly to sterling areas will be seriously affected.

Philip Gruchy, Anglo-Newfoundland's manager said devaluation is bound to have serious repercussions in island. In recent years more and more difficulty has been experienced in selling newsprint to sterling areas.

Now it's felt Britain and other sterling countries are bound to turn to sterling areas such as Sweden, Finland, Norway. This will put company in difficult position.

In Newfoundland sulphite Bowater expects to lose U. K. markets but expects devaluation of the Canadian dollar will help in U. S. marketing.

Iron ore mining at Bell Island picture is same as fish, newsprint. Right now Dosco-owned mines sell large percentage of production to U. K. and it's felt devaluation may cut these sales considerably.

Will Airline Fares Be Changed?

The question of airline fares following devaluation was still snarled. International Air Transport Association, the commercial airline body, was reported to be arranging an emergency meeting to discuss the question of tariffs. TCA reported that it was still selling tickets at the old rates but expected to have a new ruling later in the week.

Most difficult problem in connection with airline fares is that involved when a dollar country airline sells a "through ticket" to another country and over a "sterling" airline. In Canada, for example, Colonial will sell a through ticket from Montreal to Miami and has been accepting Canadian currency both for its own part of the trip — Montreal to New York—and also for the New York-Miami leg as well which is on another airline. With devaluation of the Canadian dollar the question arises as to how the New York-Miami fare will be handled. A similar problem exists with fares to European countries both from Canada and United States.

Little Change on Woollen Prices

Early indications are that there will be no substantial change in woolen and worsted goods prices in Canadian market as a result of devaluations. Many Canadian importers and cutters-up have U. K. cloth on hand bought at pre-exchange prices and will likely want to average these out with later lower-priced deliveries.

Sterling prices of U. K. goods may be increased in many instances. Several U. K. mills cancelled previous prices schedules this week following devaluation, presumably to revise prices upward. One Canadian importer felt U. K. prices would get back to where they were before this spring's increases.

There is no doubt U. K. goods will enjoy improved competitive position on the Canadian market over the next few months. A good deal will depend on inventory price policy of Canadian manufacturers and importers. At least one Canadian mill this week cancelled previous price schedules following devaluation. It is anticipated any change may be downward.

On the longer term, increased living costs and raw material costs in England (raw wool jumped 15% this week in Sydney auctions following devaluation) may drive production costs for U. K. manufacturers up. There will almost certainly be a further round of wage increases in the textile industry. U. S. sources will now buy more wool at current reduced prices, helping to hold demand for that product higher.

Pace of Business

Retail sales in July estimated at $664 millions, up 5.4% from $630 millions a year ago. Seven months total was up 7% at $4,213 millions ($3,936). Motor vehicle dealers' sales—responsible for major part of advance—were 43.6% higher than July, 1948. Appliance and radio up 16.2%. Coal and wood declined 20.6%. Other trades showed small increases or decreases.

Wholesale sales index (1935-39=100) at 285.2 in July was off 8% from June (310.6) and 1% from year ago (283.5).

Inventories held by wholesalers at end of July were up 7.9% over year ago. All lines gained except footwear (off 7%) and fruits and vegetables (off 0.2%).

Unemployment insurance claims at 49,586 in July were 6.6% below June (53,114) but 27.8% above 38,790 a year ago.

Canadian labor income estimated at $643 millions in June, up $24 millions from May and $47 millions from year ago.

Dividend payment index as reported by Nesbitt, Thomson & Co. stood at 213.2 for September, up 0.2% from 212.7 for August and 5.5% from 202.1 last year.

Department store sales in week ended Sept. 10 were 11% above a year ago. All provinces advanced except British Columbia (off 8%) and Alberta (unchanged).

Government expenditures in August totaled $147.1 millions, increase of 6.5% from year ago ($138.1 millions), while **revenues** declined 3.7% to $187.8 millions ($194.9 millions).

Newsprint production in August: 446,834 tons, up 6% from July (421,475) and 5.8% from Aug., 1948 (422,258). **Exports** at 407,653 tons in August were 6% above July (384,593) and 2.5% above year ago (397,583). **Operating ratio** was 99.7% of capacity in August compared with 101.2 in July and 102.8 last year.

Carloadings in week ended Sept. 10 totaled 73,526 cars compared with 85,027 previous week and 76,929 a year ago.

Electric power output was 3,730 million kwh. in July, off 7.2% from 4,018 million in June, but 2% above 3,657 million in July, 1948. Seven months' total up 3.9% at 27,192 million kwh against 26,180 million last year.

Primary power consumption in July: 3,362 million kwh, down 3.4% from 3,481 million in June, up slightly from 3,355 million a year ago.

Coal production in August down 10.2% from year ago at 1,243,100 tons compared with 1,383,700. Eight months output up 0.9% at 11,430,700 tons (11,327,500). Imports in August 51.9% below year ago at 2,102,600 tons (4,370,200).

Petroleum production in June: 1,701,539 bbls., decline of 1% from 1,717,863 bbls. in May, but 63.8% above year ago's 1,038,496. Half year total up 91.5% at 9,812,770 bbls. against 5,125,461.

Cigarette consumption amounted to 988 million in July, up 1.6% from 972 million in July, 1948. Seven months total up 8.1% at 14,738 million (13,631).

Wheat crop for 1949 now estimated at 371.6 million bus., 27.7 million below 1948 crop, 38.4 million below ten-year average.

Beer production in July: 748,900 bbls., up 4.1% from 719,200 in June and 2.2% from 732,500 a year ago.

Farm prices of agricultural products lower in July than June and year ago. Index (1935-39=100) stood at 251.9 in July compared with 252.9 in June and 259.2 in July, 1948. Peak was 263.9 in Aug. 1948.

Gasoline, Fuel Oil Going Up

Price increases are on their way for most petroleum products. Gasoline may bear the greatest proportion of the cost boost. Since the heavy summer motoring season is just at an end, and gasoline stocks are low, the price change will likely come soon. Although most oil officials are still busy working out the cost implications of devaluation, it is estimated the boost will be 1c to 2c a gallon on gasoline.

The situation on fuel oil is less clear. Here there are fairly heavy inventories on hand. But it is almost certain that fuel oil will before long have some price increase.

U. S. crude oil prices will be 10% higher for Canadian importers—and by far the greatest proportion of petroleum used in the Eastern Canada market is paid for in U. S. dollars (Canada is currently importing about 80% of her petroleum requirements and over 90% of this is paid for in U. S. funds.). On a barrel of crude formerly laid down in Sarnia for about $3.20 the new figure will be $3.52. On a 35 gal. barrel this means an increase of almost 1c a gallon in price of crude. On top of that there will be further smaller increases arising from freight costs paid for in U. S. funds, tetra-ethyl lead, etc.

Retail prices will be affected by proportion of crude gallon that goes into a gallon of end product, competitive position of that product with other products and current inventory position.

The devaluation move and consequent higher price for U. S. crude will lend further weight to B. C. refiners' demands for increased gasoline prices now being made to the B. C. Government.

Many Factors in Coal Picture

Coal prices will be raised promptly as a result of Canadian dollar devaluation. On popular anthracite lines it will likely be an additional boost of around $1.50 a ton, on best grades of soft coal it will be $1 to $1.25 a ton. If U. S. coal mine owners give miners new wage or social benefit increases the boost will be higher.

Coal dealers were promptly swamped with orders after the Abbott announcement. Most were accepting them only subject to new price and delivery dates. Reserves are very low in anthracite and dwindling rapidly in soft coals. If the current coal strikes in the U. S. last for another month, the situation could become very serious.

One popular type of anthracite now selling at around $20.95 a ton (Toronto) the final price will likely be around $22.50.

On best grade of bituminous stove coal mine price increase will be 75c to 80c a ton, freight increase of 52c or 53c a ton; over-all increase around $1.25, bringing the consumer price to $17.30 to $17.50.

If Wales can deliver anthracite in desired sizes, there is every possibility of good business with Canada. Last quotes (before devaluation) on blower size were $20.75 a ton, on cobble, or hand fired coals $25.50 — this $25.50 compares with $20.95 for best U. S. hard coal. But if the full devaluation cut went into effect, the Welsh anthracite would certainly undersell the U. S. market; or at least be competitive. In 1937 Canada imported over one million tons of Welsh anthracite. At that time, the Welsh types got a $2 premium over best U. S. coals.

But there won't be any important shipments to Canada until next summer. The current navigation season will soon be over on the St. Lawrence.

UK Cars Down—Ours to Go Up?

Price adjustments on British autos (currently selling at the rate of $76 millions a year in Canada) followed fast on announcement of Canada's devaluation and at mid-week all but a few firm price changes had been announced. Others were expected by week-end.

Not so clear-cut was Canadian auto makers' reaction. For them it would certainly mean an addition to their bill for U. S. materials — for an average of $230 was spent in U. S. per car they produced.

Whether this would be passed on to the consumer none was prepared to say. It was freely admitted, however, that $1,400 British cars meant greater competition for the Canadian industry.

Here's how the U. K. price cuts lined up at midweek:

	New Prices $	Old Prices $
Austin (at East Coast port):		
Devon Sedan	1,445	1,645
A-40 Van	1,395	1,545
Pickup Truck	1,375	1,545
Countryman station-wagon	1,575	1,895
Atlantic Convertible	2,675	3,095
Hampshire sedan	2,195	2,495
Hillman: (at Toronto)	New price	Old price
Minx	1,638	1,868
Standard (at Toronto)	New	Old
Vanguard (4-door sedan)	1,845	2,205
Vanguard Estate Car	2,145	2,495
Convertible Triumph	2,995	3,750
Morris: (at Toronto)	New	Old
Morris Six	2,295*	2,695
Wolseley Six	2,650*	3,131
Oxford	1,795	2,095
Minor Convertible	1,430	1,650
Minor Coach	1,375	1,595
Jaguar (at Toronto)	New	Old
V	3,990*	4,850
XK-120	4,250*	4,950
Riley (at Toronto)	New	Old
2½ litre	3,350*	3,990

*Tentative prices.

Said Ford president Douglas Greig:

"All the ramifications and effects of devaluation may not be apparent for some time yet. Devaluation in Canada automatically increases our costs and it is certain English-built cars and trucks will be a greater competitive factor in the Canadian market. Price reductions will be announced shortly. We can foresee curtailment of our exports of cars and trucks to the Commonwealth countries.

Said General Motors president William A. Wecker:

"It's too early to estimate the effect which dollar devaluation will have in increasing our costs, and what effect if any it will have on prices.

"In the case of the Vauxhall, which we import from U. K. price reduction is now under discussion, and an announcement can be expected very shortly."

GUICHON MINES plans to extend its shaft to the 200-ft. horizon from the present depth of 100 ft. A new level was recently established at 100 ft. after dewatering the shaft and former 50-ft. level. Favorable results are stated to have been secured.

Look for It Here

Sept. 24, 1949

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Will U. S. Cut Its Prices? Big Devaluation Question

(Continued from page 1)

crisis which has plagued our trade and prosperity these past few months.

Therefore we'll have to watch the U. K. and especially the sterling area performance, to see if the British are really going to pull this thing off.

The next point is what's going to happen in the United States.

The biggest problem for Canada is still our ability to export to the U. S., and thereby earn dollars. If a 31% devaluation causes any serious business slump in the United States, we in Canada would be affected immediately. One fifth of our national income is represented by exports and nearly half of all our exports go to the U.S.A.

Canada would also be affected if political opinion in the U. S. hardened because of devaluation.

It is believed here that the real reason President Truman rushed through the Reciprocal Trade Agreements Act last week is that he knew devaluation was coming. He feared Senate reaction might defeat the measure, if the honorable senators assumed a "we wuz robbed" attitude, following the 31% cutback.

Looking ahead, there is important legislation due for Congress in 1950 to improve procedure and administration. Chances of this getting through Congress in 1950 have definitely not been improved by devaluation. Thus Canadian goods may find increasing resistance in the U. S. as we feel the lashback of sterling action.

What's important for Canada is that Britain and other non-dollar countries have taken what is perhaps the only course open to them to express a protest against the huge and recurring phenomenon of an annual American export surplus.

They've served notice that they won't accept U. S. goods unless they are marked up 44% in price: Also that they intend to offer their own goods in the U. S. market at a competitive margin of anything up to 31%.

Nothing like this has happened in world history since the U. S. became a dominant factor in world trade.

And the U. S. reaction may quite well be extremely violent.

Incidentally, Canadian officials have for a long time been warning U. S. authorities that they could expect to reap a whirlwind if they persisted in being so noisy about British devaluation.

In Canada, this devaluation was long expected and considered inevitable.

But there was greater willingness in Ottawa than in Washington, to let it come in its own good time and without the dangerous prodding which undoubtedly worsened the U. K. position and increased the need for a larger cutback.

Summing up: It is impossible to tell at this moment how far deflationary and political reaction in the U. S. will go.

It is also uncertain what success the U. K. will have in making the new program stick.

Both these are key factors in Canadian employment and protion. But there is one important factor in the Canadian scene which may influence this country's prosperity under devaluation.

That factor is capital investment.

Almost a fifth of Canadian national income is now supported by new capital investment. From now on, capital goods, so far as they are imported from the United States, will cost more.

But U. S. capital will be encouraged to come to Canada since the cost of domestic materials, etc., will be theoretically 10% cheaper now in Canada.

Present opinion in Ottawa tends to the view that devaluation won't greatly affect Canada's investment boom. This boom is probably tapering off in any event; it could be greatly affected by any sharp business reaction in the U. S.

It may well prove an important key to what's ahead for business in Canada in 1950.

How Devaluation Affects Dumping

OTTAWA (Staff) — Devaluation has removed entirely the need for a new Canadian approach to anti-dump legislation.

Under the new conditions, a British lawnmower which sold say for $10 in Canada and which was being shipped here at less than the domestic U. K. price, will no longer be a worry to Canadian customs officials.

The same machine could still be sold in Canada for $10 and the sterling price increased by 30%. This would wipe out any fear that the Canadian price was below the home market offering.

Insurance Firms Not Affected

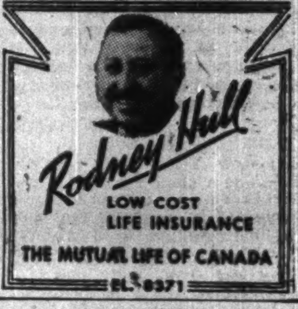
Canadian insurance companies are little affected by Canadian dollar and sterling devaluation. Their assets in the United Kingdom, translated into Canadian dollars, have gone down, but their liabilities have dropped to the same degree, so the net position is unchanged. In the U. S. assets and liabilities have increased in Canadian funds, the net position remaining unchanged. As funds in both areas are likely to be kept there, the only difference it makes appears when currencies are converted into Canadian dollars for accounting purposes.

As the U. S. business of Canadian companies is larger than that in the United Kingdom, the net result after conversion will be an apparent increase in items like business in force, new insurance premiums written assets and liabilities.

Any profit on assets due to the premium on U. S. dollars will accrue to the companies.

For some time, some companies have been keeping their sterling balances to a minimum, while allowing their dollar balances to rise, in the belief that something of this kind might happen.

Whether companies will revalue their British business at the year end for annual report purposes is still to be decided. A number of companies adjusted their sterling business to a rate of $4.03 per pound just last year although that had been the prevailing rate for some years previously. Other rates varied from $4.00 to $4.45.



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R. W. KEELEY

Guaranty Trust Company of Canada announces the election of R. W. Keeley, prominent industrialist, to the Board of Directors. Mr. Keeley is President and General Manager of Bendix-Eclipse of Canada Limited; President, Windsor Chamber of Commerce and Ontario Regional Director of the Canadian Chamber of Commerce.

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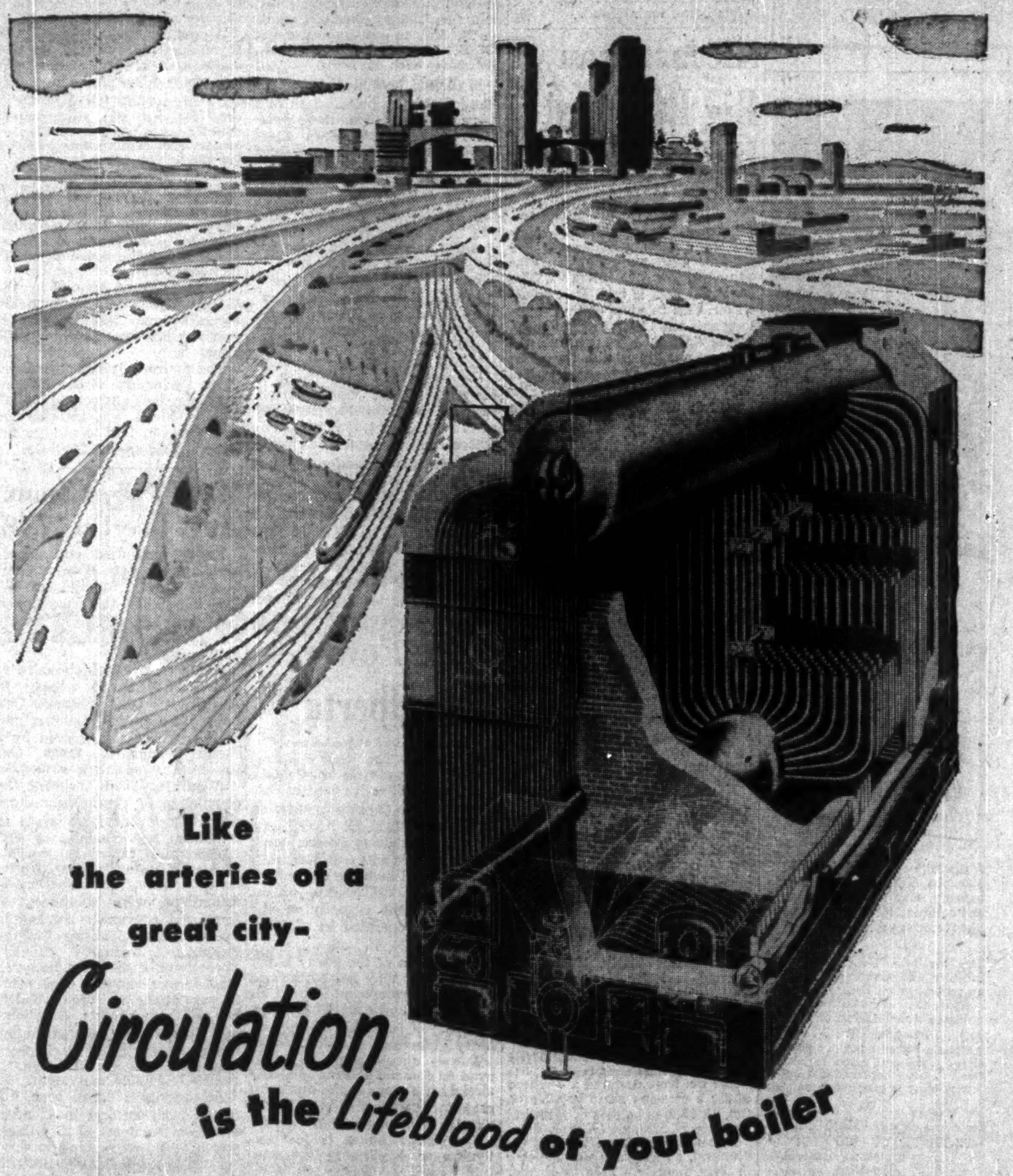

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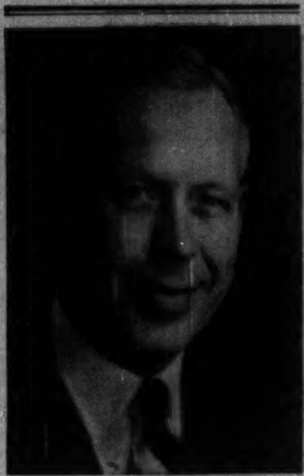

TELFORD V. KENNEY

has been promoted to Assistant Sales Manager for The House of Seagram for Ontario, it was announced today by J. M. Rothschild, Sales Manager in this province.

For the past several years, Mr. Kenney has been sales representative for The House of Seagram in Hamilton.

• • •

During the war Mr. Kenney was made an Officer of the Order of the British Empire in recognition of his services as Lieutenant-Colonel commanding the Royal Canadian Army Service Corps at 2nd Division Headquarters.

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INVESTMENTS THIS WEEK

How The Markets Reacted To Devaluation Moves

Bonds

The revaluation of the Canadian dollar and of sterling, after an initial widening of quotations, resulted in a strengthening of high-grade Canadian bond prices of one eighth to one quarter of a point early this week. This carried prices back to their highs of about a month ago. There was little trading, however, the change coming mainly from a firming of quotations. The market was described as "quiet but stronger."

Chief factor in the strengthening of high-grade bond prices apparently is the expectation that, with the discount on Canadian funds, some U. S. buying of internal high grades will appear. In addition, the market generally looks better, dealers say.

On Monday, price quotations on high-grade bonds were widened as dealers sought to assess the situation and wondered as to Canada's probable action on revaluation. No selling developed on the dip in quotes and, with the elimination of the uncertainty, on Tuesday prices firmed up.

Canadian government internal long-term 3%'s in the New York market were quoted on Tuesday at $89 bid to $90½ asked and reflected the new discount rate on the Canadian dollar in that market of around 11%. This was not down much from the previous Friday's quote of about $91½ which reflected a 10¼% to 9¾% discount on Canadian funds. Similarly two-pay CNR bonds were only off about 1½ points in the N. Y. market. Some N. Y. dealers said they were "amazed that the quotations held so well."

In Canada, Eighth Victory Loan 3% bonds due Oct. 1, 1959/63 and Ninth Victory Loan 3%'s due Sept. 1, 1961/66 are both currently quoted $101.875 bid to $102.25 asked to yield 2.76% and 2.78% respectively to call date and are $0.25 higher on the bid price from the end of last week. In the same period, Seventh Victory Loan 3%'s due Feb. 1, 1959/62 have gone up $0.125 to be quoted $102 bid to $102.375 asked to yield 2.71% while Sixth Victory Loan 3%'s due June 1, 1957/60 have gone up $0.25 to $102.25 bid to $102.50 asked to yield 2.64%.

Dominion 3% perpetuals were also strong at $101.125 bid to $101.50 asked to yield 2.88% and up $0.375 on the bid side since last week end.

The present strength in the Canadian bond market following the dollar revaluation is taken as another indication of the likelihood of present interest rate levels being maintained.

Stocks

Canadian stock markets showed violent reaction to this week's currency revaluation news.

Trading in Canada on Monday, the day after U. K. devaluation was hectic, dominated by speculation on what action Canada might take. As a result the golds, in particular, together with newsprint and other stocks which would stand to benefit by having the Canadian dollar at a discount against the U. S. dollar, moved sharply upwards on heavy volume, most of which was in mining securities. As measured by the averages on Monday, golds closed up 8.3% from Friday's close, "papers" up 4.2% and industrials up 0.8%. Sales totalled 4,512,000 shares in Toronto.

On Tuesday, when Canada's dollar position was known, gold stocks lost over half of their gain and industrials were down below their Friday close. (1.6% down for T.S.E. industrial index). Trading had quietened with volume of 2,925,000 in Toronto or only about 65% of Monday's level.

Why this sudden reaction? Brokers say:

(1) For gold stocks, investors were:

(a) Disappointed that the devaluation was only 10%. Some were betting on 15% devaluation, others as high as 20%.

(b) Uncertain as to what attitude Ottawa would now take towards the bonus program of the gold mines.

(2) For industrials, investors were:

(a) Disappointed that the devaluation was only 10% in the case of "papers" and other stocks which would benefit.

(b) Following the leadership of the New York Stock Exchange which was selling off due to the uncertainty of the outcome of negotiations between management and labor in the steel and coal industries.

(c) Said hit with a "significant" volume of English selling in certain securities, e.g. Brazilian Traction and CPR. Brokers attributed this selling to a feeling in England that the pound was now down to rock bottom and that funds, formerly put in these securities as a hedge, could be brought back again.

In New York, there was not the same violent reaction. Stock market action continued to be dominated by domestic problems and uncertainties — particularly steel and coal strike fears. As a result, prices of U. S. stocks, as measured by the Dow-Jones industrial average, dropped 0.91 points on Monday, then 3.37 points on Tuesday to put the average at 178.04. Turnover was about 1,300,000 shares each day.

In Canada, special situations accounted for the price action of a few securities. Among these were:

(1) Canada Steamship Lines Ltd. Its preferred stock dropped $3.50 and its common $2 on Monday, reflecting uncertainty regarding extent of the company's loss and liability from the "Noronic" disaster. The preferred steadied at about $34 a share and the common at $13¾ a share on Tuesday.

(2) C.P.R. — Its common was strong to close at $17 on Monday on good trading volume. Tuesday, it dropped back to close at $15⅝, said largely due to English selling. Its strength has been based on expectation that higher freight rates will be granted by the Board of Transport Commissioners whose decision comes this week.

(3) Brazilian Traction Light & Power Co., Canadian Western Lumber — Both of the common stocks were said hit by English selling.

(4) Atlas Steels Ltd. — Its common dropped $1.50 on Tuesday to close at $7.75 as a result of the passing of the common dividend.

Alcoa, Alcan Big BC Plant Held Unlikely

MONTREAL (Staff) — Reports that Aluminum Co. of Canada and Aluminum Co. of America may join in a $200 millions to $300 millions aluminum plant in British Columbia are incorrect, The Financial Post is told. It is pointed out that in view of the years-long anti-trust litigation in United States against Alcoa an out and out partnership of the Canadian and American companies in the B.C. project is unlikely.

Key to the aluminum situation is cheap power. If Alcan proceeds with its plans for a 300,000-ton a year plant in British Columbia based on power as cheap as that produced at its Arvida works it would place the company in a very strong competitive position, observers feel.

Kaiser and Reynolds interests in United States have for some time been calling for increased power development in the Pacific Northwest, to increase aluminum production from that area. If Alcan starts work in B.C. soon, it could put a crimp in U. S. plans for further aluminum production. Canada now can sell aluminum ingot at competitive prices in United States, despite a tariff due to the cheap power factor. In the important world markets Canada's position is better still.

It is not known what position Aluminum Co. of America will eventually take. Reports have stated that this company is thinking in terms of an Alaskan Aluminum development. But it is believed that the same competitive factors with respect to B.C. production would influence Alcoa as well as the other U. S. producers. If, as seems likely, Alcan will proceed in B.C., Alcoa may hold up its plans for the time being.

Minn. & Ont. Paper Co. To Pay 25c on Common

Directors of Minnesota & Ontario Paper Co. have declared a dividend of 25c a common share payable on Oct. 25, 1949, to holders of record at the close of business on Sept. 30.

In determining the amount of the dividend, directors, as was the case in July, took into account smaller sales and earnings, capital requirements and limitations upon the transfer of Canadian funds to the United States, President Donald D. Davis stated. A statement of earnings and a condensed balance sheet will be forwarded to shareholders with the Oct. 25 dividend cheque, he added.

The company declared a dividend of 25c a share in July but previously had been paying dividends of 50c a share quarterly since Oct. 15, 1947.

More Power For Alberta

From Our Own Correspondent

Calgary — The Spray Lakes hydro-power project of Calgary Power Ltd., 60 miles west of Calgary, should go into production by October, 1950, G. A. Gaherty, president of Calgary Power, states.

The project will cost $10.2 million and will give the company a capacity, of 205,000 hp, almost double present capacity of the five plants operated by Calgary Power.

Completion of the Spray Lakes development may not be the end of power development in the Calgary area, however. There is a potential of some 600,000 hp, Gaherty intimated.

Future developments will depend on demand and the company already has plans in the blueprint stage for further projects, The Financial Post understands.

The Spray Lakes project extends over 21 miles of rugged terrain, employs some 500 men. Mannix Construction Co., of Calgary, in charge of construction has more than $1 million worth of earth, gravel and rock moving equipment on the job.

ST. HENRI-de-LEVIS has sold $135,000 serial 3-3¼% 20-year bonds at a price of 98.05 to L. G. Beaubien & Co.; average interest to corporation will be 3.0076%. The proceeds will be used for construction of a school.

GEORGE M. BRAIN

has been appointed general sales manager, Provincial Paper Ltd., Toronto.

Empire Brass Net Profit Up

Sales of Empire Brass Mfg. Co., London, Ont. in the first six months of 1949 were over 25% higher than in the corresponding period of 1948, The Financial Post is informed. Net profit was $369,315, equivalent to $6.15 per Class "A" share, up 15.8% from $319,048 or $5.32 per Class "A" share in the first half of 1948.

Working capital at June 30, 1949 was $1,170,038, an increase of $27,973 over that at the end of 1948. Additions to fixed assets in the first six months of 1949 amounted to $185,249.

Prospects for the balance of the year appear favorable and sales are expected to show some improvement over results for the first half of 1949, it is stated. Competition is becoming keener and gross profits may be reduced somewhat as a result.

Say Still Working To Reopen Plant Of Quality Steels

The Bondholders Protective Committee for the general mortgage bonds of Quality Steels Ltd., London, Ont., is still working toward enabling the plant to reopen but have not been able to finalize anything, The Financial Post is told. No action has been taken.

Last week, Allegheny Ludlum Steel Corp., a Pennsylvania company, was granted permission to collect judgment for $2,969 and costs against Quality Steels. This was the second time it had tried to collect the judgment, obtained last November.

A previous application, made in November was refused. It was made just two weeks after a court order was given protecting Quality Steels from legal action by its creditors until some arrangement could be worked out for paying off its debts of more than $150,000, besides money owed to a bank.

Later, Quality Steels held a meeting of creditors at which it agreed, starting June 1, 1949, to reduce the claims of its unsecured creditors by payments of at least $5,000 a month, plus one half of its net profits.

In an affidavit, counsel for the U. S. company said that Quality Steels had not resumed production, nor paid back anything to its creditors.

The company's plant was closed about the middle of last November due to lack of working capital. Quality Steels was incorporated in Ontario in 1947 to acquire the Federal Foundries & Steel Co.

Man. Pwr. Comm. Aug. Use Up 37.9%

Power purchased and generated by Manitoba Power Commission during August was 37.92% more than the same period last year, and totaled 17,300,226 kw. h. General Manager W. D. Fallis stated.

Hydro service was extended to five additional villages in August, — Lake Francis, Oak Point, St. Laurent, Lundar, and Eriksdale. They are served by a recently-completed 33,000 volt line from Stonewall to Eriksdale.

August activities included the completion of transmission lines which electrified farm areas in the Rural Municipalities of Turtle Mountain, Harrison, Saskatchewan, Blanshard, Sifton, Whitemouth, Richot, and MacDonald. Extensions were completed to farms not previously reached in the Rural Municipalities of Minto, Rosedale, Odanah, Stanley, Springfield, Richot, and Hanover. Transformer changes were made to substations at Minto, Killarney, Newdale, Melita, Gladstone, and Clear Lake, and distribution changes were made to improve hydro service at Portage la Prairie, Newdale and Melita.

All contracts have been obtained from farmers in 42 areas and from residents of 25 villages which will receive electric service under the 1950 rural electrification construction program, Mr. Fallis announced.

INVESTMENT FOUNDATION LTD. has declared an interim dividend of 20c a common share, payable Oct. 15, 1949, to holders of record Sept. 30 and subject to the approval of the Foreign Exchange Control Board. Hereafter the directors will consider payment of dividends on the common stock at half yearly intervals, Secretary-Treasurer J. D. Hopkins states.

Move to Promote Interest In Investment in Kitchener

Another Canadian investment firm is taking steps to familiarize the general public with the subject of investments. It is Dattels & Co., Kitchener, Ont.

Last week some 275 men and women crowded Kitchener city hall's Assembly Room at a meeting, sponsored by this firm which featured a March of Time film, "Money at Work," and an address on "This Business of Investing" by Dr. Douglas R. Annett, Ph.D., Securities Department of Equitable Life Insurance Co. of Canada, Waterloo and head of the Department of Economics and Business Administration at Waterloo College.

While only 250 tickets were distributed, some 275 attended which somewhat crowded the hall and "we could have placed 500 tickets easily," D. R. Dattel states. "The response was very gratifying, so much so that we intend to carry out a second investment course which will provide a more advanced lecture," he adds.

Dattels & Co. plan also to have an investment exhibit, which it believes is the first in Canada, at the Kitchener-Waterloo Industrial Exhibition, Sept 26 to 30, during which the firm intends to have large investment posters outlining the theme "Every day you use Industry's products such as Bell Telephone, transportation, steel, clothing, etc. You are therefore a customer of Industry and you can be a partner of Industry." It will also have the March of Time movie and the Toronto Stock Exchange ticker with translux.

The movie "Money at Work" tells the story of the New York Stock Exchange and how it serves the individual security-owner, industry and the entire economy.

In his address Dr. Annett set down 10 rules for new investors:

(1.) "Make certain of a solid foundation in life insurance and Dominion of Canada Savings Bonds before taking on corporation bonds and stocks.

(2.) "Seek out a reliable investment counsel among local investment dealers and resident representatives of bond dealers doing a nation-wide business, testing for both expertness and impartiality.

(3.) "Always keep in mind the four investment tests of safety of capital, adequate income for the risk assumed, saleability, and prospects for capital appreciation.

(4.) "Keep informed on financial and economic matters that might affect your investment position.

(5.) "Make sure that you have the suitable temperament for investment in securities—independence of mind, courage, and patience are the essentials.

(6.) "If your investment fund is reasonably large, say over $10,000, consult with your investment counsel on working out a long term investment formula plan of some kind.

(7.) "Learn to accept losses for the sake of reaping larger gains eventually.

(8.) "As a starter in taking on stocks, consider the merits of mutual investment trusts of which there are several well-managed concerns in Canada and the United States.

(9.) "Review your investment situation regularly to assess the effects of tax changes on your position, i.e. the 1949 Federal budget which gave a 10% exemption to common stock earnings, the case of high coupon bonds nearing maturity which yield after tax less than lower coupon bonds of the same term and grade.

(10.) "Always remember the sage Wall Street advice: never buy anything for more than YOU think it is worth merely because you hope to find a bigger fool to sell it to at a higher price—and the other side of this counsel: never sell anything for less than YOU think it worth because you hope to find a bigger fool to buy it back from at a lower price."

Offer A Shares Anglo-Can. Tel.

MONTREAL (Staff)—An issue of 100,000 Class A shares of Anglo-Canadian Telephone Co. was offered this week by a syndicate headed by W. C. Pitfield & Co. at a price of $10 a share. These shares were purchased from shareholders and do not constitute new financing. Proceeds will not go into the company treasury.

According to the offering prospectus, the telephone operating subsidiaries of the company in British Columbia, British Columbia Telephone Co., Chilliwack Telephone Co, Kootenay Telephone Co., Mission Telephone Co. and North West Telephone Co., are experiencing a steadily increasing demand for their services. During the past two years over 34,000 telephone stations have been added by these subsidiaries. Applicants waiting for service still exceed 23,000. British Columbia Telephone Co. has also increased its long distance facilities by the addition of four new circuits.

The system of the Philippine Long Distance Telephone Co., another operating subsidiary, is being reconstructed as rapidly as material and equipment can be obtained, it is stated. Approximately 4,400 stations were added by this company in 1948.

Plant Program For Canada Bread

Canada Bread Co. has called meetings on Oct. 3 of the outstanding 4½% first cumulative redeemable preference shares and a special general meeting of holders of the common shares to consider a change in company capitalization.

The proposal is to call the first preference shares for redemption at $103 per share, plus accrued dividends. It is also proposed to borrow in the form of first mortgage bonds, from which will come cash for redemption of preference shares.

In recent months directors and management have been studying advisability of extensive modernization of plant and equipment. It has been shown that such a program could effect important advantages to the company through improved products at lower production costs.

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The extensive road and bridge construction program carried on by the Province of New Brunswick in recent years is attracting increasing tourist trade from the United States and Eastern Canada and providing improved transportation facilities for the Province's lumbering and industrial activity.

As a continuation of this policy the Province recently created a new issue of Debentures, the proceeds of which will be used largely for road construction and the balance for the Provincial Electric Power Commission. We offer, as principals, the new issue of—

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Arnprior Chronicle
Aylmer Express
Barrie Examiner
Cobourg Sentinel-Star
Collingwood Enterprise-Bulletin
Dunnville Chronicle
Fort Frances Times
Hanover Post
Kenora Miner and News
Kincardine News
Listowel Banner
Midland Free Press Herald
New Liskeard Temiskaming Speaker
Orangeville Banner
Orillia Packet and Times
Pembroke Standard-Observer-Bulletin
Picton Gazette
Renfrew Mercury
St. Mary's Journal-Argus
Simcoe Reformer
Tillsonburg News
Trenton Courier-Advocate
Walkerton Herald-Times

QUEBEC
Beauceville L'Eclaireur
Drummondville La Parole
Joliette L'Etoile du Nord
Rimouski L'Echo du Bas St. Laurent
Rouyn-Noranda La Frontiere
St. Jean Le Canada Francais
Ste. Therese La Voix des Mille Iles
Valleyfield Le Progres

NEW BRUNSWICK
Hartland Observer
St. Stephen St. Croix Courier
Sussex Kings County Record

NOVA SCOTIA
Bridgewater Bulletin
Kentville Advertiser
Liverpool Advance
Pictou Advocate
Yarmouth Light

PRINCE EDWARD ISLAND
Summerside Journal

People who live in country towns and adjacent trading areas give much closer attention to the home-town paper than to any publication coming in from outside. That's because the home-town newspaper is full of LOCAL news about LOCAL people and events — the news items that interest them most.

It follows naturally that advertising in the home town newspaper gets closer attention, too!

Your advertising in the 55 Class 'A' Home-Town Weeklies listed alongside, will be brought to the attention of —

1,337,684 PEOPLE

Yes — that's the total population in the towns of publication and adjacent trading areas of the 55 Class 'A' Weeklies. Most of the families which make up this population read one or other of the weeklies listed because the combined circulation of these well-conducted home-town papers is 211,698, with from 2 to 5 readers for each copy.

And they are such substantial people — merchants, artisans, farmers, clerical workers, mechanics, professional people and, above all, the housewives who spend the housekeeping money.

Wouldn't you like your advertising to be read regularly by these fine people?

In the towns and trading areas served by Class 'A' Weeklies there are 34,227 retail outlets covering every field of merchandising. Many of these merchants are themselves advertisers in the home-town weekly and are fully co-operative with manufacturers whose advertising appears in the same newspaper.

Next time you are making up a schedule, it will pay you to include Class 'A' Weeklies where your advertising — well-printed and positioned — gets closer attention from more interested readers.

CLASS 'A' WEEKLIES OF CANADA
A. Marshall, *National Advertising Manager*.
Suite 1501, 302 Bay St., Toronto

Eastern Representative—H. A. Sandison, 432 Ontario St. West, Montreal.
Western Representative—L. C. Way & Associates, 423 Hamilton St., Vancouver.

Planning

If you are engaged on the problem of making the most practical disposition of your estate, the Toronto General Trusts offers you a consultative service based on a broad experience with estates and trusts. This service comprises a careful review of your assets including your business considered in relation to the rest of the estate and an estimate of the probable amount of your Succession Duties. Based on this analysis our Officers can help you to set up a plan which will accomplish your wishes for your beneficiaries in a practical and economical way. We invite your inquiries.

We shall be glad to co-operate with your solicitor and life underwriter in working out a plan for you.

THE
TORONTO GENERAL TRUSTS
CORPORATION

Head Office: 253 Bay Street, Toronto

ADMINISTERING ASSETS OF $300,000,000

REAL ESTATE
RESIDENCES
LANDS
FARMS
COMMERCIAL
BUILDINGS

BAYVIEW
HEIGHTS

(500 Feet Above Sea Level)

- Well Restricted
- Water Mains, Macadam Roads, and Fire Protection—All in and Paid For.
- Direct drive to Downtown. No street car lines.
- $30.00 per foot and up.

— *Exclusive Agents* —

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28 Adelaide St. W., Toronto
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IN THE HEART OF
VICTORIA, B.C.
VALUABLE BUSINESS
PROPERTY

Choice corner site in the centre of main shopping district. High rental commanded. Ideal for office block or stores. Approx. 60' and 120' frontage. Present two story bldg. for renovation or demolition.

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LTD.
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CONSULT
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REALTOR

ESTABLISHED OVER 35 YEARS

Commercial and industrial properties. City and town houses, apartments, farms, country estates and summer properties.
Connections in all large centres of Canada, United States, Bahamas, West Indies and specializing in Vancouver and Victoria.

TORONTO OFFICES
Head Office — 320 Bay Street — AD. 5661
Kingsway Office—2832 Bloor W.—LY. 7593
North End Office—1045 Avenue Rd.—MA. 4451

After Business Hours
Nights, Sundays and Holidays
FOR ALL OFFICES CALL AD. 5661
24 HOUR SERVICE

— GIBSON BROS. —
Established 1910
REAL ESTATE BROKERS
INDUSTRIAL — COMMERCIAL — RESIDENTIAL
PROPERTY MANAGERS
VALUATORS
357 BAY ST., TORONTO 1 - - ADelaide 0685

DOWNTOWN CALGARY. Solid fireproof building on trackage occupies three floors and full basement, 37' x 120'. Freight elevator, vault in basement, fully automatic steam heated and truck loading alley at front. Excellent for Office and Warehouse or straight conversion to Office building. Full price $60,000.00.

18,000 FEET of Modern Office space available close in to downtown Calgary.

CAMPBELL & HALIBURTON LTD.,
513-8th Avenue West, Calgary

INDUSTRIAL SITE
1,500,000 SQUARE FEET
900 FEET FACING CANADIAN
NATIONAL RAILWAY
CAN BE DIVIDED
NEAR PIE X BOULEVARD, MONTREAL, NORTH

R. TURCOTTE
MONTREAL
978 RACHEL ST.

Why Gov't Didn't Allow Dollar to Find Own Level

OTTAWA — Why did Canada strike a fixed rate for her dollar? Why didn't Canada "let the dollar go free to find its own level"?

Those questions were put to top Canadian financial authorities by The Financial Post. Here is the gist of their answers.

We are still in the swirl of the greatest upheaval in exchange rates in world history. A fixed and assured rate for the Canadian dollar is thus a most important thing for all Canadian merchants and producers. Otherwise, in this kind of world, they would be in a day to day tangle of not knowing where they stood on buying and selling contracts.

A free rate only has validity for a country like Canada in a world reasonably free of trade and currency controls. World markets today are confined by thousands of restrictions. Under those conditions, there wouldn't be a chance for normal factors to determine a proper Canadian rate. In other words, any rate in such circumstances would be no less artificial or more "realistic" than a rate set by government. Canada, they say, is far too small a country and far too dependent on external factors to try leading the world on any grand missionary scheme to rid the world of such controls. We would suffer much as a result and we would not affect the elimination of controls in other countries.

And the reason:

Canada couldn't contemplate a free rate without also removing import restrictions. If we did that in this kind of world, we'd lose our ability to influence the all-important direction of Canadian trade.

The point here is that Canada tends toward an over-all imbalance in her trade. We tend to import more than we export. Thus without a fixed exchange rate or import restrictions, there'd be a scramble to buy goods in the United States to a point that would likely put a big premium on our dollar.

Yet Canadian export markets are much more rigid or less elastic. We can't sell a big export item like wheat in the U. S. market at any price. Therefore we would be likely to penalize big groups of Canadian producers; put them into unnatural patterns of trade; disrupt unnecessarily and to no good purpose, the long time pattern of Canadian development. The free rate in France is, in fact, penalizing thousands of "little people." This is largely because the French Government can't or won't take the administrative responsibility for policing an exchange rate which would be fair to all groups in the country.

Another argument:

The speculative element in Canadian exchange rate is tremendous. This is because our balance of payment transactions reach the huge total of about $8 billions a year. That's close to half our total national income.

Growth of an enormous industry solely gambling on fractional changes in a free exchange rate would be inevitable.

There may come a day when trading conditions have stabilized enough to warrant Canada considering a free exchange. Officials look wistfully towards that day.

Meanwhile, the most they can wish for is that our currency were called something else than "dollar." "If it were, we could establish Canada's currency on its own feet without the quite improper and confusing comparison with the U. S. dollar."

H. ERNEST PAUL

has been appointed vice-president of Aikin-McCracken Ltd., Toronto advertising agency.

Will Govt. Change Policy To Aid Our Ships, Yards?

OTTAWA (Staff) — Shipping and shipbuilding in Canada are two industries most directly affected by the devaluation news of the past few days.

After allowance for the 10% Canadian devaluation, British and most European nations will now enjoy a 24% competitive advantage as compared with their position last week.

As announced in the speech from the throne, the government is planning "assistance to the shipbuilding industry and merchant shipping." This is an extension of the intention carried at the opening session last January which mentioned only "shipbuilding."

So far as can be learned there has been no decision as yet as to exactly what type of aid and how much aid is planned.

Certainly any plans the government may have had before devaluation will now have to be reviewed.

Hits Merchant Fleet

This week's devaluation news will affect more immediately the merchant shipping fleet of Canada. Unless the government is prepared to extend immediate aid, it now appears an open question as to whether Canadian firms will be able to meet the competition of nations which, competitive before, now have an additional 24% margin created by devaluation.

Presently there is close to $15 millions of funds held in escrow by the Canadian Maritime Commission for rebuilding of the Canadian merchant marine. It would require a major decision of government policy to now divert this in whole or part for expenditure in United Kingdom.

But the new competitive advantage that accrues to U. K. shipbuilders as a result of devaluation may well have put them in the driver's seat; may well mean Canada's disappearance for the time being from the world-wide competition of building merchant craft.

As matters work out this may prove too pessimistic a view. But it is the view which the Canadian government will undoubtedly have to take into consideration as it deals with the problem over the next few weeks.

Government's View

Until the devaluation crisis came to a head this weekend, the trend of government thinking was towards merely providing tax relief by way of more favorable terms for depreciation and maintenance write-offs.

There has been opposition in the cabinet for some time to earlier suggestions that the government put up low-interest-rate loans for aid to Canadian shipbuilders.

Whether this opposition will now disappear remains to be seen. Certainly the British have been putting up very strong arguments at Ottawa and Washington that shipping is one important area where they have an opportunity to increase their dollar earnings by reason of being competitive — even before devaluation.

Another point is that depreciation writeoffs are only effective if a shipping company is making a profit. Even under present conditions, profits margins in the industry have been few and far between. The new situation will aggravate this unless there is some new approach at Ottawa.

"Sindicos" Appointed in Spain To Control Barcelona Traction

During a stormy meeting of creditors last Monday, three "sindicos" were appointed who would have broad powers over the management of Barcelona Traction, Light & Power Co. and the disposition of its Spanish assets. The three men are reported to be representatives of Juan March, Spanish financier, said to be behind the moves against the company. (The Financial Post; Aug. 20).

Agents of National Trust Co., Toronto, representing Canadian, American, Belgian, British and French stockholders entered a vigorous protest over the proceedings and abstained from voting, it is reported.

In London, England, last week a motion to prohibit intervention in the bankruptcy proceedings made on behalf of Société Internationale D'Energie - Electrique and a Canadian bondholder was refused in high court by Mr. Justice Patrick Devlin. Reasons for the decision are expected to be given this week. (The Post, Sept. 17.)

Another legal step in connection with Barcelona's bankruptcy proceeding was also taken in Canadian courts last week. Westminster Bank, Ltd. of London, England has made a motion in the Supreme Court of Ontario for leave to institute proceedings in connection with bonds of the Barcelona Traction.

The bank is trustee under the trust deed securing Barcelona's peseta bonds. As trustee it holds first mortgage bonds of £2,640,000 as security for their payment. These now are held in the form of interim bond certificates which the bank wishes to exchange for definitive bonds. The present motion asks permission to institute an action for an order to bring about this exchange.

If permitted, the action would be against J. G. Glassco, receiver and manager, of Barcelona, and the company. Hearing was adjourned until Oct. 5.

GREATER VANCOUVER WATER DISTRICT has sold a new issue of $1,500,000 3%, 3¼% and 3½% serial debentures, dated Sept. 15, 1949 and due Sept. 15, 1951 to 1974, to a syndicate headed by Dominion Securities Corp. Price was $98.688 or a cost to the municipality of 3.43%. Offering prices will be a 2.95% basis for 1951-59 maturities, a 3.25% for 1960-64 maturities, a 3.40% basis for 1965-69 maturities and a 3.50% basis for 1970-74 maturities. Proceeds are for the construction and the extension of the water supply lines to Port Moody and to provide funds for the general expansion of the District's present system required under its agreements with the municipalities comprising the Water District.

No Decision Rent Controls

OTTAWA (Staff) — So far as can be learned here, the government has made no decision yet regarding 1950 policy on rental control.

It is expected that this matter will be under review shortly, but dollar and exchange problems have pushed rental policy into the background for the time being.

One decision being pressed on the government is to have Ottawa seek immediately from the Supreme Court of Canada a ruling as to whether the present federal legislation is ultra vires.

Already a lower court judge in Ontario has ruled the present federal act ultra vires. The question is now up for appeal before the Supreme Court of Ontario. If the decision goes against the federal government, it is expected there will be an appeal to the Supreme Court in Ottawa. There may be an appeal no matter which way the decision falls.

Thus it is being argued here that the government should move more promptly and remove present uncertainty by seeking an immediate decision from the highest Canadian court.

However, nothing has been done here one way or another; nor by way of any other decision as to what the government's policy will be after March 31, 1950.

Within the next week or 10 days something more definite is expected.

FOR SALE
Die and Metal Stamping Plant in Toronto as a going concern. Old established firm, well organized, with the best of reputation. Price $35,000 reduced for a quick sale. Owner retiring.
BOX NO. 234, THE FINANCIAL POST, TORONTO.

New Savings Bonds Go On Sale Oct. 17

The Fourth Series of Canada Savings Bonds will go on sale Monday, Oct. 17, Finance Minister Abbott has announced. Terms and conditions will be identical with those of Series Two and Series Three.

Bonds will be dated Nov. 1, 1949, bear interest at 2¾% a year, mature Nov. 1, 1959, will be registered in the owner's name and may be redeemed at any time at any bank in Canada for full face value plus interest. Sales will be limited to $1,000 per person.

Arrangements for the sale of the Fourth Series are being made by the Bank of Canada. Sales representatives of investment firms and the staffs of branch banks and other savings institutions will comprise the national sales force. In addition some 12,000 business and industrial establishments will be provided with information and material to promote the payroll savings plan which has been such a popular feature since Canada Savings Bonds were first introduced in 1946.

SIX MONTHS
Copper Production
$165,453.06

We are interested in accelerating development plans that should enable a COPPER producing Mine to increase its present current output. Production records for the six months ended July, 1949 . . . Gross income earned amounted to $165,453.06, or an average monthly return of $27,575.51. Its potentialities should appeal to investors. The facts you will be interested in are contained in the Company's production report just released.

A copy of this production report will be mailed to you on request. No obligation.

W. D. LATIMER & CO.
LIMITED
Members, Broker-Dealers Association of Ontario
244 Bay Street, Toronto 1, Ont.
ADelaide 8891
W. D. Latimer, Pres.
W. H. Wright, Secy.-Treas.
(Private Wire to Montreal)

Send me information and a copy of COPPER PRODUCER'S production report.

NAME ....

ADDRESS ....

Corp. Taxes Up in Canada For 5 Months

OTTAWA (Staff) — Federal government accounts for the first five months of the year show revenues sustained at something better than expected levels.

Best showing is from corporation taxes which netted $50.7 million in the same month last year. Cumulative returns from corporation taxes in the five-month period are $245 million against $191 million in the same period in 1948.

Other increases in August were chiefly in revenue from customs import duties which netted $20 million—a gain of 21% over August, 1948.

Over-all federal revenue in August was $188 million, a drop of only 3% from August, 1948. For the first five months, total revenues were $1,067 billion, a drop of only $48 million from last year.

Expenditures rose $9 million to $147 million in August. This is more than accounted for by a $10 million rise in defense spending and a $2 million jump in family allowances.

For the five-month period, federal spending has been $772 million against $670 million a year ago. That leaves a budget surplus of $295 million against $445 million in the first five months of 1948.

Nonbudgetary items (loans, advances, etc.) for the first five months of the year were $97 million. Of this, $50 million represents advances against the British loan—now being paid out at a rate of $10 million monthly.

FOR SALE
Property owned by the Picard Estate located at corner of Main Ave. and McQuaig Street, Rouyn, Que. Ideal location for chain store firm.
Inquiries Invited
Apply to Picard Estate
C/O J. BUREAU, BOX 504, ROUYN, QUE.

CANADIAN GOVERNMENT
PUBLIC UTILITY
AND
CORPORATION SECURITIES

BELL, GOUINLOCK & COMPANY
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

WANTED

Man with engineering and executive experience to fill position of general manager in Maritime plant doing ship repairs and sundry manufacturing. Must be familiar with all types of diesel engines. Excellent salary and future for the right man. Write giving experience, qualifications, references and salary expected. All applications confidential.

BOX 265, THE FINANCIAL POST, TORONTO

WANTED

Sales manager for diesel division of large Maritime concern doing business in Maritimes and Newfoundland. Must be familiar with all makes and sizes—particularly General Motors and Caterpillar. Must be able to look after parts and service and run division generally. Apply stating experience, qualifications, salary expected and references.

BOX 266 THE FINANCIAL POST, TORONTO

A FAMOUS JUDGE
said . . .

"The number of securities upon the market is very large. For a small investor to make an intelligent selection from these—indeed, to pass an intelligent judgment upon a single one—is ordinarily impossible. He lacks the ability, the facilities, the training and the time essential to a proper investigation. Unless his purchase is to be little better than a gamble, he needs the advice of an expert who, combining special knowledge with judgment, has the facilities and incentive to make a thorough investigation."

(Excerpt from a statement by the late Louis D. Brandeis, Associate Judge, Supreme Court of the United States.)

Such an investigation will naturally give consideration to diversification—a cardinal principle of sound and successful investing.

Many persons feel that their capital is too small to permit diversification of risk—*yet there is a way* in which an individual with even as little as $100. to invest *can* diversify—a way which makes it possible, *through a single purchase*, to obtain an interest in a number of strong Canadian Corporations.

Write for particulars

NESBITT, THOMSON & COMPANY,
LIMITED
38 King Street West, Toronto

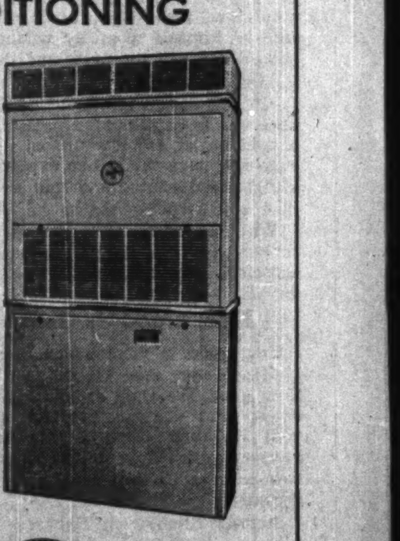
463A

CHRYSLER AIRTEMP

"PACKAGED" AIR CONDITIONING
increases
MAN-HOUR SAVINGS
by 50%

Cut down costly sick absenteeism in your firm—with Chrysler Airtemp "Packaged" Air Conditioning! It helps eliminate open-window drafts, ventilates stuffy, overheated rooms . . . with clean, healthful air. Help yourself and your staff to year 'round healthier working conditions and increased efficiency with Chrysler Airtemp "Packaged" Air Conditioning!

Ask your Chrysler Airtemp Dealer about the many profitable advantages of "Packaged" Air Conditioning.



DEALERS FROM COAST TO COAST

Automatically Yours

CHRYSLER AIRTEMP

HEATING
AIR CONDITIONING
COMMERCIAL
REFRIGERATION

IN CANADA
THERM-O-RITE PRODUCTS LIMITED
Montreal Trust Bldg. Toronto, Ontario

There Are No Outsiders

The little barrier builders are busy again.

Last week the Toronto Cartage Association urged local authorities to refuse licenses to outside truckers for work on the big new rapid transit job. If there was any extra business from that 5-year $50 million project then the home boys should get it all, they argued.

In the same city a few weeks earlier an oil industry labor union urged refusal of a permit to build a pipe line from Toronto to Montreal. The reason? Refined gasoline might be piped from Montreal and there would be less work for Toronto refinery workers.

Apparently the people who pass these resolution and the petty minded officials who would accept them won't be happy until these have a wall around every municipality in Canada. No outside competition what-so-ever would be allowed to penetrate. Every local job, no matter how big or what it might cost, would be strictly reserved for the home team.

What a fine unselfish way to build up a country. Fortunately, however, it wouldn't work.

The only place where it would have the remotest chance of success would be one which produces all its own raw materials, all its own food and every kind of manufactured product its citizens could desire. There are, of course, no such places anywhere, let alone in Canada.

As for our big Canadian cities, they are anything but self-contained. They are merely a part of the whole country and absolutely dependent on the rest of Canada for their very survival. Without the food and raw materials from the rest of the country and without the market the rest of the country provides for the great bulk of urban manufactured products, our cities would shrivel overnight. They simply can't exist without the continued support of the country as a whole, and when they attempt to reserve all the plums for themselves they are directly inviting retaliation that could soon become ruinous.

It is ridiculous as well as grossly unjust for any Canadian municipality to attempt to ban outside competition. Everyone in Canada contributes to the growth of our big cities and anyone in Canada should be allowed to participate in any business that originates in these same places.

They Are Out of Step

Four French cardinals one day last week came out with a pastoral statement criticizing capitalism as materialistic. They announced in pontifical tones that the Roman Catholic church was not joining capitalism in any anti-Communist crusade and that the church was neutral in political conflicts. Some days before that Bishop Desranleau berated the capitalistic system at a trade union gathering in Sherbrooke, Quebec. "Capitalism," he orated, "is the cause of all our miseries. We must work against it—not to transform it; it is immutable; not to correct it; it is incorrigible."

These high dignitaries of the church should study the Pope's official pronunciations on capitalism. They would seem to be out of step with His Holiness, who knows probably better than any other man what happens to Roman Catholicism in countries where capitalism and personal liberty has been ousted in favor of totalitarianisms.

As far as denying that the Catholic church would ally itself with capitalism in the present crusade, are they not aware that Pope Pius is Communism's most active and articulate foe and that his stand stand against Marxism is world politics on the priestly level?

Isolationism Is Not Dead

European fears that super-nationalism is far from dead in the United States will not be calmed by the current fight in the American Senate. This centres around renewing the presidential power to negotiate reciprocal trade agreements. In leading the opposition Senator Robert Taft, who may well be the next republican candidate for president, stated that the State Department had displayed "a give-away attitude, or at any rate, a willingness to sacrifice U. S. industry and agriculture to purposes of foreign policy."

Senator Taft supplemented that with the declaration that postwar easing of the United States tariffs had already done damage to oil, wool, pottery, glass, watch and bicycle industries and there would have been more had world supply conditions been normal.

In the reciprocal trade agreements debate and in other speeches along trade lines Senator Taft has made it perfectly clear that he is for the greatest possible protection for American industries. Even if the most "hothouse" of these is likely to have to face some foreign competition, then he would not lower tariffs either visible or invisible, one single notch.

Enlightened Americans have described the reciprocal trade agreements policy, under which the President can cut tariffs substantially without reference to Congress, as the greatest single advance the United States has made toward restoration of world trade. But not Senator Taft. To him any agreements like that lead straight to ruin. Unquestionably, he says they give "the President power to destroy any U. S. industry."

At a time when American industry was never bigger or stronger, never better able to look out for itself either at home or abroad, this sort of talk seems obsolete, to say the very least. But it does indicate clearly that Washington still faces a tremendous job of selling its own people the world trade solution it now offers abroad, namely that there must be an enormous boost in exports to the United States.

Public Business and the Press

Because an editorial of his criticized the proposal of the town council to hold a series of public-excluded committee meetings, a writer on the Cobourg Sentinel-Star was subjected to violent personal abuse by the local mayor.

Among other things the mayor suggested that the writer was unfamiliar with the Ontario Municipal Act, which under certain conditions permits holding of closed meetings. The mayor may have been right in that opinion but he showed himself woefully wrong about the responsibilities of the press and the conducting of public business.

In this case a matter of vital public importance was to be discussed and one that concerned a substantial expenditure of public funds. At such meetings the public expects that the press will be represented and that a fair and full report will be published in the local newspapers.

When public officials attempt to conceal public business from the public there is bound to be criticism. And there should be.

How Good Is Your Board?

How good is your board of directors? How good are your men in business statesmanship? How good are they at sensing public opinion about your company and its products? How well do they comprehend the fundamental changes which have taken place over the past two decades in the climate in which business operates?

Sumner Slichter of Harvard, one of today's foremost interpreters of business, isn't at all confident that the typical board of directors is what enterprise needs today. Writing in Fortune he says:

> "It is important, I believe, that the boards of directors become more representative of a cross section of the community and include more leaders of opinion and persons who have first hand information about problems of the community—editors, farmers, professional men, small businessmen, even preachers. At present the directorates of most corporations consist almost entirely of officials of other corporations, plus a few so-called 'capitalists'—that is, men who own large investments but do not directly administer enterprises . . .
>
> "The assumption has apparently been that only corporate officials, bankers, or large investors are competent to make the kind of decision which directors have to make. For most questions which come before boards this assumption is probably correct, and I do not believe that non-businessmen should be a majority on any board of directors. I would not care to own stock in a company which was being run by amateurs. Nevertheless, in a laboristic society the boards of directors of corporations need to be more representative of the community than the present boards, partly in order to help the managements of corporations understand the viewpoints of the community and partly in order to give community leaders an insight into the way corporations are run and the problems which they encounter."

The second part of Slichter's reason for advocating a new approach to board selection is particularly important.

The loudest critics of business are people who know least about it. In many pulpits and classrooms there is a steady drip of criticism and innuendo. There are sneers about profit greed and hard-heartedness.

What business hasn't yet adequately done is to let the public actually see how it runs; to demonstrate convincingly where there are no profits there are soon no jobs.

Poster Free Posts

Fort Erie, Ont., took a step last week which will win wide approval, though some politicians may not agree. A new bylaw prohibits posters, political or any other kind, on any of the municipality's utility poles. "It's all part of our beautification drive," explained Mayor Ziff.

Most people, we think, will agree with Mayor Ziff that the bulk of these posters are far from beautiful. Especially is this true after the wind and rain and sun have played with them for a week or two.

Although the last election was over months ago, thousands of these frayed appeals are still to be seen tacked to poles and roadside trees. It's too bad that some bright person hasn't invented a political poster that would disintegrate and disappear the moment the polls closed.

If the Packer Took Nothing

Few industries escape a lot of unjust criticism when prices start to fluctuate. But the unhappy meat packer who operates between producer and consumer gets a double dose.

When meat prices are high a lot of consumers talk darkly about packers' profits. When the pendulum swings the other way the same sort of thing comes from some of the livestock producers. An editorial in Swift's News proves both parties wrong. It points out:

> "If Swift & Company remitted its entire earnings to consumers, they would be able to buy $5 worth of meat for about $4.94. If the company remitted its entire earnings to the producers of livestock, the farmer's income would be increased but little. On a 1,000-pound steer the producer would realize about $294 instead of $290."

Last year total earnings of Swift amounted to almost $28 millions. While this looks like a lot of profit, what the public overlooks is the percentage of this to sales. To make this profit an enormous amount of business had to be handled and the profit per dollar of sales was extremely small.

Actually in the case of Swift's sales amounted to $2,361 millions and gave the company an average profit of one and two tenths of a cent on each dollar of produce sold.

For Canada Packers the profit margin last year was still smaller, actually slightly less than nine tenths of a cent per dollar of sales, according to the annual report of reviewed in The Financial Post last week.

Only large and successsful firms indeed can hope to operate on such narrow margins.

How Can They Compete?

How can a privately owned business compete with a publicly owned business? That question is answered for Winnipeg Electric Co. by W. H. Carter, president and general manager, as follows:

> "We, of course, have to overcome the handicaps we encounter such as the amount of business which automatically goes to the publicly-owned utility from the various civic departments, including schools, etc., which requires no selling effort and no sales department costs on their part. In addition, people doing business with civic departments sometimes find that it helps to give business to the publicly-owned utility.
>
> "Notwithstanding this and the fact that we are taxed on a heavier basis than any municipally-owned utility, we have no trouble in getting plenty of business because we have a multitude of friends who still believe in the free enterprise system to whom we give prompt, dependable service coupled with continuous courtesy and co-operation. That combination will always produce business, even under the handicaps mentioned above."

The provision of courteous dependable service has always been and will be a strong selling point for any organization. This is something which everyone in business should remember.

Napier Moore's Scratch Pad

THE MOST SURPRISED man we have encountered in many a day was Beverley Baxter, Toronto-born member of the British parliament and writer of Maclean's London Letter, who was in Toronto last week.

Before leaving London for his Canadian speaking tour, Bax called his bookseller and asked him to make up a parcel of books he has authored so that he could give them to some of his friends here. A few hours before his departure, a parcel was delivered. Bax lugged it to the boat-train, to the ship and off it. In Montreal, when the customs asked what was in it he said, "Books," and the officer didn't bother any further. He carried it to and from trains, planes, boats and hotels in Victoria, Vancouver, Edmonton, Calgary, Regina, Winnipeg and Toronto. He flung it on to sofas, chairs and floors. But he never had a moment's leisure in which to open it.

Finally, after making three speeches in Toronto he spent a quiet evening with us. He said, "I must give you a copy of my new book. It's in a parcel I haven't had a chance to open. But I'll make a point of opening it tonight."

Bax opened the parcel. There were no books in it—just two bottles of champagne. The last we saw of him he was still wondering (a) who had wished him so sparkling a bon voyage, (b) where the books were.

• • •

FOLLOWING UP an announcement of increased air service between Winnipeg and Churchill, we received from H. B. Main, Director of Sales and Traffic, Canadian Pacific Air Lines, a neatly printed card. It states, "We are informed that the privilege of private sport fishing for white whales cannot be secured."

We know that a fair number of adventurous sportsmen, mainly from the U.S., have been flying up to James and Hudson's Bays to fish. But so far our vigorous research has yielded no trace of anyone who has the remotest desire to catch a white whale, or would know what to do with one if he hooked it accidentally. All we have come across is a vague rumor that a newspaper reporter, seeking color on a James Bay fishing boat, harpooned a small whale.

All this recalls what happened when, earlier in the year, The Post ran a story on plans for a hunting and fishing club in the Far North. It's heading was "Want to Fish or Shoot Polar Bears?" Forthwith there came from the Deputy Commissioner of the Administration of the Northwest Territories a letter which politely but firmly pointed out that the hunting of polar bears by nonresidents in any part of the Northwest Territories, is unlawful.

• • •

A COLLEAGUE of ours, back from a U.S. trip, relates the case of a hinterland merchant to whom a travelling salesman had sold a quantity of goods. When they arrived they were badly damaged and the merchant returned them. For reasons unknown, the wholesale house tried to collect the bill by drawing a sight draft through the local bank. It was returned unhonored. The wholesaler wrote the postmaster about the merchant's financial status. The postmaster returned a laconic "o.k." By return mail the wholesaler asked the postmaster to recommend a lawyer to collect the amount. The following reply was received:

> "The undersigned is the merchant to whom you attempted to palm off your goods. The undersigned is the president and owner of the local bank to which you sent your sight draft. The undersigned is the postmaster to whom you wrote and the undersigned is the lawyer whose services you sought to obtain. If the undersigned were not also the preacher of the local church, he would tell you to go to Hell."

• • •

F. E. THOMAS, of Erwin Wasey of Canada, Ltd., writes expressing astonishment over our failure to rush to the defense of the bow tie. He knows we have worn bow ties ever since we left school. And he quotes from The Post's London Calling an item commenting on a news report that made-up bow ties are to be issued to postmen in some parts of Canada. Correspondent "Adelphi" said that to the Englishman this was profoundly shocking. He hoped the news was without foundation, for he thought it unjust that a useful public servant should have "this comical indignity" forced upon him.

What Mr. Thomas overlooks is the fact that it's the **made-up** bow tie that horrifies the English. The kind that requires no skill in the tying; snaps on with a hook and eye on an elastic band. We, too, sniff at that species of neckwear.

The reason we wear a bow tie—which we bow ourself, Mr. Thomas—is that we never have mastered the knotting of a straight tie so that it stays up under our collar.

Stop Me If—

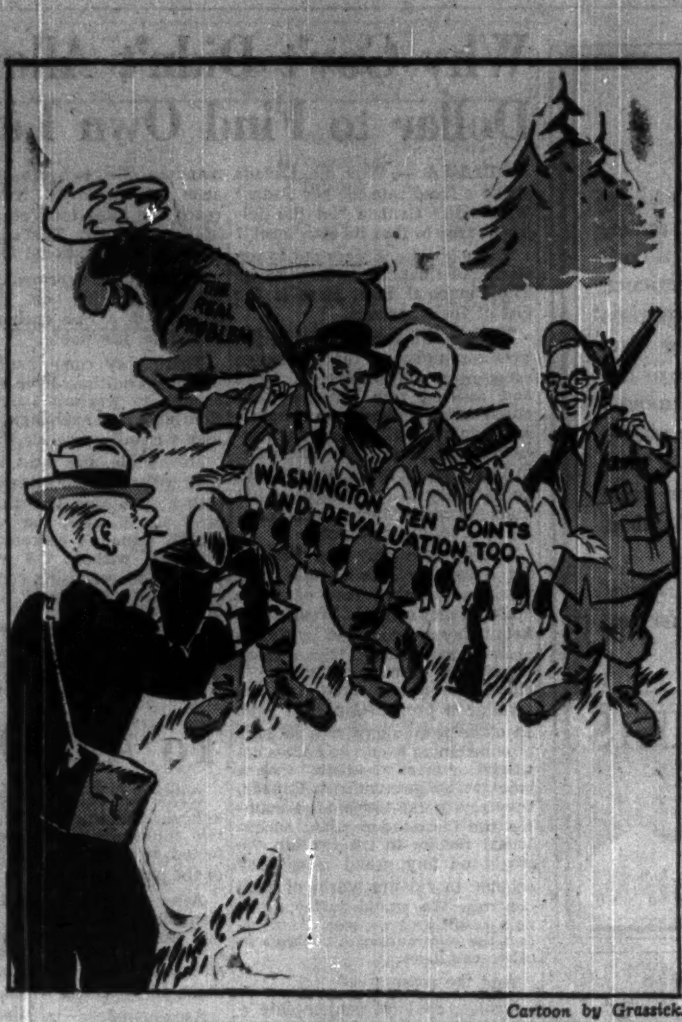
Jones: Look at that bunch of cows!
Smith: Not bunch, herd.
Jones: Heard what?
Smith: Herd of cows.
Jones: Sure, I've heard of cows!
Smith: I mean a cow herd.
Jones: What do I care if a cow heard; I didn't say anything I shouldn't have.

• • •

Her husband being slightly indisposed, a young and inexperienced wife attempted to take his temperature, and in a state of great excitement, scribbled a note to the doctor:

"Dear doctor—Please come at once. My husband's temperature is 136."

The doctor replied: "Dear madam—The case is beyond my skill. Send for the fire engine."


THE REAL PROBLEM
WASHINGTON TEN POINTS AND DEVALUATION TOO

Cartoon by Grassick.

"YOU'VE STILL GOT TO GET THE BIG FELLOW"

Post Scripts

Heads Insurance Body

Tall, aggressive, genial, John Allan Young has been elected president of the Association of Superintendents of Insurance of the Provinces of Canada.

MR. YOUNG

The ASIPC, though it seldom makes the headlines, has an importance in Canadian business affairs that far transcends its small membership. Through it is initiated most of the insurance legislation and regulations in the different provinces.

Possibly its greatest achievement in its 32 years history had been securing uniform insurance laws in the common law provinces, affecting all classes of insurance except marine. This alone has been of considerable advantage to both buyers and sellers of insurance.

Its big job at present is revising the fire and casualty insurance laws of the provinces having the uniform insurance act in force. Quebec also plans to draft a new insurance act and it is hoped that when both Quebec and the common law provinces finish their revisions, the Quebec act and the laws in the other provinces will be practically uniform in principle.

Young was born in Glasgow, Scotland, about 54 years ago; came to Canada in 1912 and began farming at Blaine, Sask. In 1916 he joined the Canadian Expeditionary Force and served overseas. With his health seriously impaired, he spent 18 months in hospital; on discharge took a course in municipal administration and then became secretary treasurer for Hillsdale municipality near Freemont, Sask. There, along with his municipal work, he built up an extensive insurance, notarial and conveyancing business.

He remained at Freemont until 1935 when he took the rural municipal secretary's post for Perdue municipality just west of Saskatoon.

But the political field called and in 1938 he was elected to the Saskatchewan legislature. In 1941 he enlisted in the RCAF serving as signals officer. Young held his seat until the 1944 provincial election in which he did not run. He was popular with his fellow members during his term of office. In 1946 he was made superintendent of insurance and fire commissioner for Saskatchewan.

Despite his 37 years in Canada, his speech leaves no doubt of his Scottish birth. When he can find time he enjoys a bit of fishing.

First of His Kind

First permanent lieutenant-governor of Canada's 10th province, is one of Newfoundland's outstanding soldiers, lawyers, sportsmen and business executives. He is Sir Leonard Cecil Outerbridge. He takes over from Sir Albert Walsh (chief Justice of the Supreme Court) who has filled in on a temporary basis since Newfoundland came into confederation last spring.

A Newfoundlander, born in Asheville, North Carolina, where his mother was vacationing, Sir Leonard was a disappointment to his father who had wanted a daughter and not another son. But Sir Leonard would certainly not be a disappointment to his father today.

He began his education in Newfoundland, then attended Marlborough College, England, and from there went to the University of Toronto where he graduated in Political Science. He then attended Osgoode Hall Law School and was called to the Bar of Ontario in 1914. A year later he married Miss Dorothy Winifred Strathy of Toronto.

In the first world war he fought with the Canadians. Returning to Newfoundland afterwards he joined the firm of Harvey & Co., now approaching the second century of operations in Newfoundland, and one of the island's biggest firms. Its prosperity is due in no small part to the efforts of Sir Leonard, now one of the senior directors.

The new Lieut.-Governor has been active in many phases of business life in St. John's. He has acted as President of the Newfoundland Board of Trade, Chairman of the Employers' Association, Chairman of the Newfoundland Committee, the Newfoundland Exhibition at Wembley, Honorary Private Secretary to successive Governors of Newfoundland, member of Newfoundland Fisheries Research Commission. During the second world war he was placed in command of civil defense of the St. John's area, at a time when this port was a vital link in the chain of convoys traveling from Canada to Britain. For this work he was knighted.

Still active in sports Outerbridge won the Canadian Amateur Squash Racquets Championship, and repeated this performance after the war. Twice he won the Lawn Tennis Championship of the Lawn Tennis Club at St. John's. For many years he has been on the Board of Governors of Bally Haly Golf and Country Club at St. John's, and on occasion has reached the finals in the Club Championship. He maintains, however, that his favorite club and sport is the Curling Club, despite the fact that he admits he is no better than an average curler. He is a keen salmon fisherman and shot.

The Outerbridge name has been well known up, down and off the Atlantic coast since early in the 17th century. Originally settled and in the shipbuilding business in Bermuda, branches of the family were established in Newfoundland, Nova Scotia, New York and Philadelphia.

CWNA Head

A third generation newspaperman was elected head of the Canadian Weekly Newspaper Association at Jasper recently. He is Roy Bean, publisher of the Waterloo (Ont.) Chronicle and managing director of the Bean Printing and Publishing Co.

If all goes well, the Chronicle will soon be celebrating its hundredth anniversary. It was established by Roy Bean's grandfather in 1856 and ever since has been growing steadily with the community. Indeed its work now extends beyond that for other newspapers, magazines and periodicals are published in the Chronicle plant. Since 1939, when he was just 27, Roy Bean has been in full charge.

On the large metropolitan newspapers there are plenty of people who have seldom if ever strayed out of their specialist fields. But the weekly newspaperman is different He must have experience in all branches of the business if he is to be a successful publisher. And he must have wide community interests too. In all respects Roy Bean can claim the necessary qualifications.

While attending school in his native Waterloo he was also spare time reporter on what was then his father's paper. Later came a full time job in the same line. To round this out he sold advertising and subscriptions, made layouts, did some drawing and dabbled with photography. He put in a spell in the stereotype room of the old Daily Telegraph of Kitchener, set type, washed the presses and even swept the floor.

Community activities include active membership in the local Chamber of Commerce, Kitchener-Waterloo Rotary and the Waterloo Young Men's Club.

Like his business experience, Bean's recreations are also varied. He likes to ride horses at any time and also to take a few pictures. When he is not skeet shooting in winter he is skiing or woodworking. The rest of the year he tinkers around with a power boat and does a little fly fishing for trout.

What Others Are Saying

Editorial of the Week

We Must Have Competition

Edmonton Journal

Unless we wish to abandon the free enterprise system, or fatally undermine it, we must continue to safeguard the interest of the consuming public—which means the whole public. The great bulk of our laws were designed to this end, and any group which comes seeking restraint of competition should receive a very short answer. Practically all of these selfish interests believe in competition—for the other fellow; they should practice it themselves.

Any law on our statute books which runs counter to the basic principle of competition in business runs counter to the mass of our laws and could only have been enacted in a moment of panic.

The danger of retail code provisions of the Alberta Trade and Industry Act being misused in restraint of trade is ever present. It should be repealed, or every provision of it which tends to the elimination of competition in business should be deleted.

If and when business in Alberta should become so shiftless and incompetent that it could only survive without competition, the consuming public would be thoroughly enslaved. Certainly the mass of the people in such a circumstance would have little reason to preserve such an economic system of exploitation. Business and the "system" would collapse together and what would take its place would be well deserved by those whose short-sighted and unwise selfishness had brought about the disaster.

Other People's Views

B. C. SHOULD follow the example of Alberta and Ontario and make a drive for selected immigrants from Europe, urges the **Vancouver Sun**, especially from the Netherlands. "Let's have some good solid Dutch farmers in B. C. They want to come and the province can use them."

NOT QUOTAS but more people are needed on this continent states the **Guelph Mercury**. "When the United States needed people there was no talk of quotas. Canada is in much the position of the United States of three-quarters of a century ago. We have a huge country, enormous untilled agricultural areas and other undeveloped resources. We need people. Yet we talk quotas."

VARIOUS WAYS in which it is difficult for Canada to compete with the U. S. in attracting tourists are listed by the **Ottawa Journal**. "But," it says, "this country should be at least rich enough and proud enough to get itself decent roads—and shrewd enough to know that good roads are a necessary overhead of a prosperous tourist business."

THEY WANT OIL quickly says the **Edmonton Journal** of the eastern Canadian market and for that reason the short route through the U. S. for the new pipeline is favored. "By allowing construction of the line to Duluth, Ontario will become a market for Alberta oil a year sooner than would be the case if the terminus were at Fort William or Port Arthur, and Alberta needs the Ontario market if oil production here is to continue to expand."

SPLINTER GROUPS among our political parties, advises the **Montreal Star**, "would do better to abandon their separate organizations and pretensions in the House of Commons and submit themselves to the caucus and whip of one or other of the two national parties. They will not only perform a useful service to Canada by doing so, they would also (though this they may find hard to believe) do more to advance their own legislative programs. Their insistence on separatism is a source of weakness to the causes they want to serve. It must be hoped it does not stem from the personal pride or ambitions of self-seeking individuals inside these tiny groups who refuse to merge their identity in the larger groupings."

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Sept. 24, 1949

What Devaluation Means to Industry

Trouble For Our Textiles?

Sales of British textiles in Canada are now well above prewar in volume and about 3½ times over prewar in value. So British devaluation is likely to still further increase the British competitive advantage in the Canadian market. Textile men were hoping that Canada might devalue 15% which they felt would leave the Canadian industry in a stronger competitive position.

Canadian textile wage levels exceed the British by a wide margin and the low tariffs on British textiles are now substantially nullified by the new exchange rates. Textile men believe that theirs, more than all other Canadian industry will feel the impact of the British move.

It is problematical whether there will be any appreciable change in consumer prices of British goods. While their costs are relatively low, they will face some increase in raw material prices when current stocks are used up. Textile men say that experience has been that British textiles in Canada have usually been priced at or just under, the maximum obtainable and with little regard for costs. If this is continued the result will be that they will take more business at just under former competitive levels by advancing their export prices.

The sterling area sold over $30 millions of raw materials to the Canadian textile industry in 1948. Devaluation of sterling might have reduced the cost of these materials to Canadian mills but there have already been advances in the primary market prices of these, such as wool. Raw materials are, in any case, less than one-half the cost of textiles.

Devaluation of the Canadian dollar will bring automatic increase in the price of raw materials such as cotton and chemicals which are paid for in dollars. These are important components of cost in many branches of the industry. There is little room in the Canadian price structure for absorption of the higher costs, textile men say.

Canadian dollar devaluation will also result in higher landed prices for U.S. textiles which will have the effect of reducing the volume of goods allowed in under import quota which is fixed on the dollar value. Whether these quotas will be adjusted accordingly is not known yet.

Cheaper Holidays in Europe

Canadians should "winter" more cheaply this year in Bermuda and the British West Indies; get more for their holiday dollar in United Kingdom and Europe. Next summer Americans will find better vacation value by motoring north to the land of the "91 cent dollar."

These twin results are to be expected from this week's currency devaluation.

The $150-a-year ration for pleasure travel in the United States is unchanged — and, incidentally, the Foreign Exchange Control Board explains that you're entitled to $150 in U.S. funds rather than Canadian. You'll pay $165.75 Canadian now to get it.

Because of proximity and because of a climate which offers an alternative to Florida as a "wintering spot," Bermuda and British West Indies (Nassau, Jamaica, Barbados, Trinidad, and a number of lesser known islands) stand to receive the greatest influx.

In theory at least, the Canadian traveler is going to pay only $3.08 Canadian for what he formerly had to pay $4.04 Canadian. In actual practice, there may be a few wrinkles on rates, but they remain to be clarified.

Lower Price of British Shoes

Prices on leather footwear and other leather goods are not expected to be increased by British manufacturers, hence Canadians should get most of the 23% saving as a result of devaluation. The Argentine is a major source of supply for the U.K. industry, and its position has not yet been clarified. Price of Argentine hides was fixed under the U.K. meat agreement. If Argentine devalues, practically all raw materials for British leather industry will be purchased at roughly the same prices as before in sterling, will help manufacturers to hold the price line, give sales of their products in Canada a further shot in the arm.

Last year the British sold $1.2 millions worth of shoes (200,000 pairs) and another $300,000 worth of other goods in Canada. They hope to increase this by four times in 1950. Canadian production of footwear of all kinds in 1948 totaled 32 million pairs.

Present indications are, British sources say, that shoes, luggage and handbag prices quoted by the U.K. manufacturers will remain stable, although there may be some increase in prices on fancier types of handbags on which some of the raw materials are purchased in dollar areas.

UK to Sell More Jet Engines

Aircraft men think pound devaluation will give British planemakers an excellent opportunity for cracking both the U.S. and Canadian markets, particularly with some of their commercial jet models. Devaluation means that at least one British jet plane is now competitive with the latest piston engine planes in Canada and the U.S.

Similarly Canadian devaluation may help Canadian manufacturers competing with U.S. manufacturers. But generally it is felt that the British industry is most favored by devaluation, in view of the advanced stage of their jet craft industry.

$10 Million Newsprint Prem'm

Newsprint producers take the view that currency devaluation will not have much effect on their competitive situation in the U.S. or other markets. Most important from the industry and earnings standpoint is the 10% premium which manufacturers will get from export sales. Rough estimates place possible premium over the balance of the year at $10 millions, provided the price remains at present level of $100 a ton (U.S.). If competitive conditions demand it, newsprint manufacturers could cut prices nearly 10% and be as well off from an earnings standpoint.

While devaluation of the pound sterling has increased the cost of Canadian newsprint to sterling purchasers, it is felt that most of these customers have already cut their orders to an extremely low level. It does mean, however, that Scandinavian newsprint is likely to gain a competitive advantage in sterling markets. Scandinavian production is not however, able to satisfy the demand even of the sterling markets.

There is a question, however, whether Canadian manufacturers may not cut the price to sterling markets.

In the U.S. market, Scandinavian newsprint will also have price advantage, but the tonnage available from this source is not enough to have an important effect on Canadian sales. There have been reports that Swedish newsprint already has been offered at $20 below the contract price. Scandinavian newsprint was able to find a market in the U.S. before devaluation at the contract price of $100 a ton, thus it is reasoned there is no need for Scandinavia to take $20 a ton less now merely because of devaluation, until such time as supply-demand conditions warrant it.

It is felt that the level of U.S. and Canadian demand is a much bigger factor in the newsprint picture than currency valuation. If, as some anticipate, Canadian newsprint production is cut back to say 95% of capacity, it will be due to the supply-demand condition rather than to currency changes.

Devaluation of the Canadian dollar may help offset such a modest decline in production, it is felt.

Scandinavian Pulp Gets Edge

Devaluation of the pound and European currencies puts Canadian woodpulp at a competitive disadvantage in both sterling and dollar markets against Scandinavian pulp. Canadian pulp will have a 10% advantage over U.S. pulp producers in the U.S. market, and other markets.

Since B.C. pulp producers have been among the leaders in reducing prices over the past few months, it is unlikely that Scandinavia will now take the lead in reducing its prices although it is in a better position to do so. European countries, however, are still as anxious to earn as many U.S. dollars as possible thus will unlikely be willing to sell for less than the going market price.

The pulp market is today highly competitive, however, so it is possible that both Canadian and European producers will take whatever advantage they can from currency devaluation. Canadian producers are likely to encounter difficulties in selling in United Kingdom and Europe, but should be able to hold their own in United States. But devaluation will not be likely to stimulate pulp production in Canada at the present time.

More UK Window Glass Coming

For American materials in housebuilding and construction we'll pay about 10% more. In the average house the U.S. content is less than 1% of cost, so, except in the case of a big office building or bridge using heavy structural steel shapes of a size not rolled here, the added cost for U.S. steel, brick, cement, hardwood, hardware and fixtures "isn't worth mentioning," contractors say.

Window glass, however, is a big item. We make relatively little. Expectation in some quarters is that we'll see more of the British product, less of the American. More British cement, less from the U.S., also may appear next building season, though cement imports are small relative to total consumption.

How Importers, Exporters See Devaluation

How do Canadian traders view devaluation, over-all? Here are the views of the Canadian Exporters Association and the Canadian Importers' Association as stated by their presidents:

W. D. Jewett (Exporters):

While, from a short-term standpoint devaluation will cause some dislocation in Canada's export trade, the first practical and effective steps toward convertibility the world over and freer trade between nations, have been made. The more realistic new values are a constructive step to the ultimate solution.

Because of unbalanced trade and consequent dollar shortages, many Canadian exporters have been practically shut out of sterling area markets and other areas such as most of the Latin American countries. Prices of our exports now drop in terms of the U.S. dollar and rise in terms of the British pound and certain other currencies.

Immediately this is neither a help nor a hindrance because these markets still lack dollars. The effect on Canada's export trade will be the net result of this change in price structure when balanced against the now greater ability of other countries to earn dollars. Only time can tell what this net result will be.

George Muir (Importers):

As matter of general principle we welcome devaluation of the pound sterling and the Canadian dollar, since development of multi-lateral trade is the solution of the world's trade differences and devaluation is a step in this direction.

"There is every reason to believe that the effect of devaluation of the pound in the broad general picture will place U.K. exporters in a better competitive position.

"Devaluation of the Canadian dollar will, of course, result in the rise in price of goods which originate in the United States."

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MONTREAL CANADA

Devaluation: Then and Now

		Before Devaluation Bought:	Now Buys:
Canadian $	In U.S.	$1	90.9c
	In U.K.	4s 11.2d	6s 5.9d
British £	In Canada	$4.03	$3.08
	In U.S.	$4.03	$2.80
U.S. $	In Canada	$1	$1.10½
	In U.K.	4s 11.2d	7s 1.7d

Expect More Timber Exports

"No damage" and "may benefit the industry as a whole" summarizes the reaction of timber producers and traders. Despite what is for them in effect a 25% rise in Canadian prices, British and other sterling buyers are believed talking new orders. The question is: "Do they see the dollars to spend or commit now in anticipation of higher dollar earnings from sterling devaluation?" Many exporters think so; see new "post-devaluation" orders soon to be placed for overseas shipment of Canadian lumber much closer to the recent level of buying than had been forecast up to now.

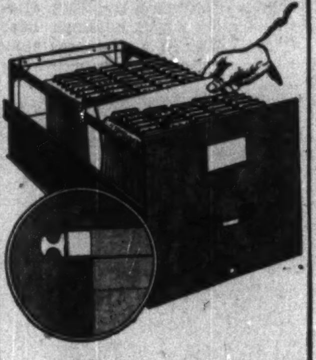
Feeling in the timber trade here is that the U.K. currency experiment will be successful—that British producers will export so much more than is needed to offset devaluation — that their buying in hard currency countries will hold or increase in some lines.

Nobody yet, of course, knows or will talk volume and price of next timber orders from the sterling bloc. British Columbia, in the first four months of this year, shipped 127 million board feet to Britain, over 33 million to South Africa and about 30 million to Australia.

Looking to the U.S., importers see a 10% rise in the cost of American soft pine for building millwork, and hardwood for floors and furniture. That will tend to hold or firm housing and furnishing costs to the consumer. They see the price rise not big enough to discourage buying in so active a market.

Exporters think they'll fare better from now on in the States, point to recently stiffened U.S. prices and rise in construction volume. It's a tight market and Canadian prices "must be shaved pretty close" but betting is the new 10% differential will win Canada U.S. orders for construction grades in "important volume."

That, if realized, would tend to firm prices in Canada for top quality lumber and, if present building volume continues, maybe also to slow delivery in some cases. But, while U.S. demand is expected to mount, it's not seen likely to boost prices in Canada or cause shortage here again.



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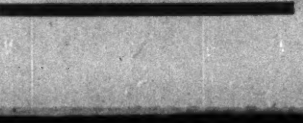

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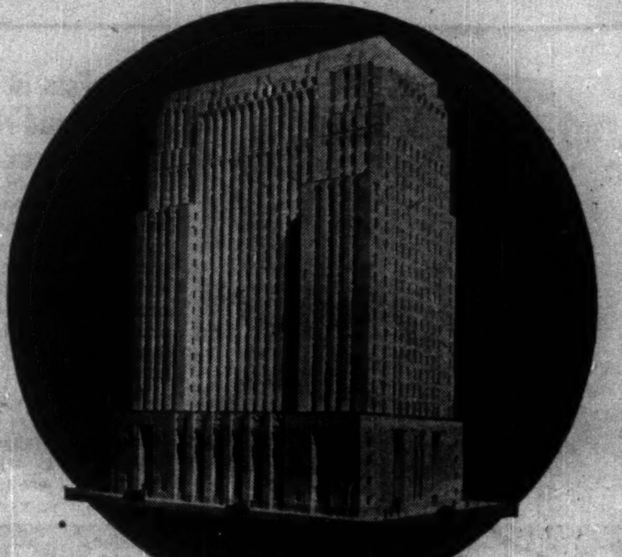

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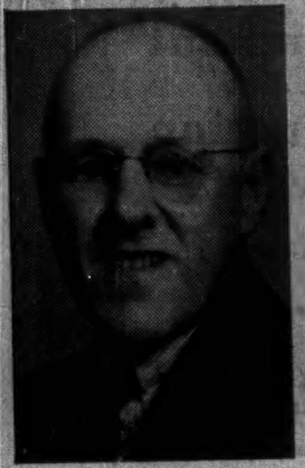


W. C. BRUCE
Edmonton

Ontario-born Mr. Bruce has spent 42 years in the telephone industry, recently retiring as General Manager of Alberta Government Telephones. Served in World War I with Canadian Engineers, winning Military Medal and was discharged with the rank of Lieutenant. Past president of the Edmonton Rotary Club, director of Edmonton YMCA and of Provincial Executive, Alberta Division of the Red Cross. Past president and director of St. John Ambulance Association.

BRIG. D. G. CUNNINGHAM
Kingston

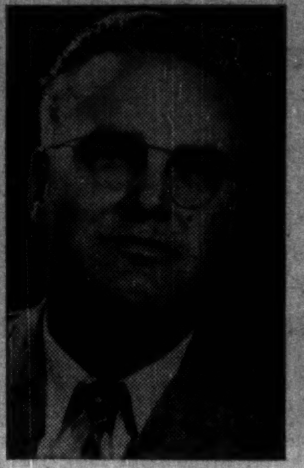
Graduate of Kingston Collegiate and Vocational Institute, RMC, and Osgoode Hall, Brigadier Cunningham served with Prince of Wales Own Regiment to outbreak of World War II. Overseas as liaison officer, rose to the rank of Major with the Queens Own Cameron Highlanders. Winning D.S.O. at Dieppe, later commanded 9th Kingston Infantry Brigade at its landing on "D" day. Appointed Commandant of RMC in 1944, has now returned to private law practice.

J. A. McKEE
St. Thomas

Chairman of the St. Thomas-Elgin Community Chest for the second consecutive year, Mr. McKee is secretary-treasurer and sales manager of Haines Ceramics Ltd. Graduating from Western University, he taught in several Secondary schools of Ontario, later went into business in Buffalo, N.Y. Community activities include membership in the Elgin Regiment Officers Mess, member of local Branch Canadian Legion and executive of the University of Western Ontario Alumni Association.

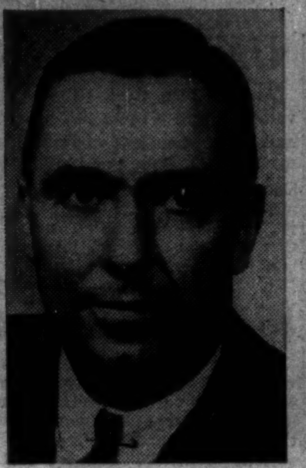
HAROLD LOCKWOOD
Fort William

Born in England, served in Royal Navy, Mr. Lockwood came to Canada in 1919 and joined the Fort William Fire Department. In 1941 was appointed Deputy Fire Chief. From 1942-1945 was president of local Boy Scouts Association. As chairman of physical committee and member of YMCA Board of Directors, was elected its president in 1948. Is an active member of the Fort William-Port Arthur Kiwanis Club and an executive member of the Council of Social Agencies. Married, four children.



FRED J. DAWSON
Sault Ste. Marie

Head of the Fred J. Dawson insurance and real estate business, Mr. Dawson is a past director of the YMCA and a member of the Kiwanis Club. served with the RCAF; is a director of Canadian Legion, vice-president of the Chamber of Commerce and on local Advisory Board for the Blind. He's also president of the local Boy Scout Association; a steward of St. Andrew's United Church. Born in Sault Ste. Marie and educated in Soo schools, he attended Queen's University.

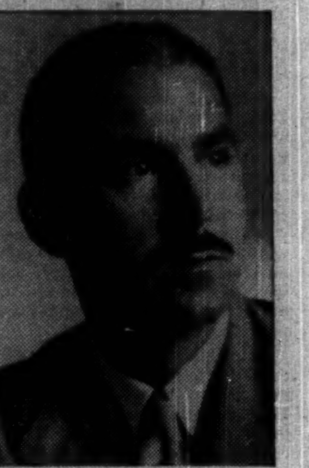


GEORGE W. ROBINSON
London

An ardent golfer, prominent in riding, hunting and fishing circles in London, Mr. Robinson is a member of Board of Education, director of Community Chest and past president of the YMCA. Born in London, attended Appleby College and University of Toronto. Was commander of a tank regiment in Italy, later commanded 2nd Canadian Armoured Brigade during push in Holland and Germany. In business, he is a partner of Cronyn, Pocock & Robinson, general insurance agents.

E. J. GOOS
Saskatoon

Business manager of the Prairie Furniture Co. of Saskatoon of which he is a partner, Mr. Goos at 42, is serving his sixth year as a member of the board of Directors of the Community Chest, having previously filled the position of recording secretary and vice-president. Active member of Kiwanis Club, served two terms as national vice-president, Canadian Junior Chamber of Commerce. Is president of the Saskatoon Community Chest. Married, with two daughters.



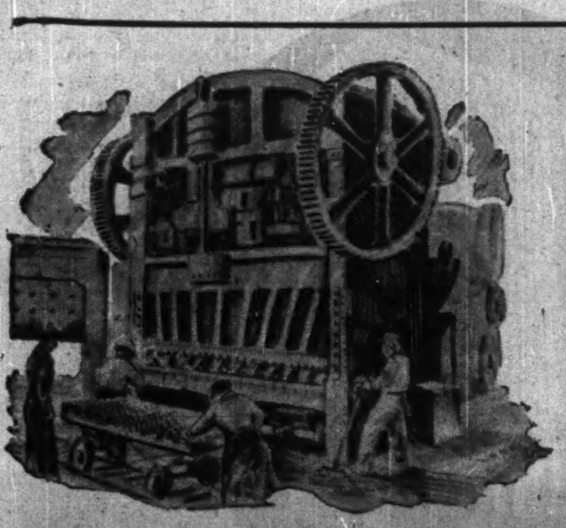
JAMES J. LYONS
Ottawa

Graduate of University of Toronto and Osgoode Hall, Mr. Lyons was assistant general manager of Capital Trust Ltd. for a number of years. Has been active in community welfare work for many years, serving as chairman of the Rotary Club Crippled Children's Committee and as chairman of the board of the Ottawa branch for the Canadian Institute for the Blind. Is a member of the board of the Catholic Family Service and a former campaign chairman.

Quebec Breweries To Start Building

MONTREAL (Staff) — Early October will see construction started in Trois Rivieres of a recently announced $1 million brewery (The Financial Post Aug. 6). So said Vice-president W. H. Hawkins of Eastern Agencies Ltd., Montreal, Quebec distributor for Peller Brewing Co., Hamilton, Ont., and instrumental in the project.

Quebec Breweries Ltd., is the name under which it will operate, manufacturing with the Peller formula and process. Land was bought recently from Shawinigan Water & Power Co. The 2½-story steel and brick plant, 240 by 140 ft., or about 85,000 sq. ft., will start production next summer, employing about 100.



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Profits From Muskrats Build Log Movie House for Indians

From Our Own Correspondent

WINNIPEG — "The Company of Gentleman Adventurers" whose operations for nearly three centuries have been so successful in Canada's far north, has given a lead to a band of Indians at Cross Lake, 160 miles northeast of The Pas.

About a score of them a year ago organized what they call the "Company of 20" to build and equip one of the farthest north movie theatres at Cross Lake. Pooling their share of a take of 10,000 muskrat pelts on the Minago River which flows into Cross Lake, they raised the capital to build a log theatre building and buy a movie projector and built-in generator.

Last winter their venture had a boom. Most of their profits were turned back into the business to provide a refreshment stand and peanut and popcorn concessions, and finally an adjacent store with a stock to supply trappers from outlying districts.

The Cross Lake Indians owe their economic boom largely to the registered trapline scheme of the Manitoba government. Four years ago most of the fur-rich waterways of their district were trapped by white trappers. The government arranged to exchange registered traplines elsewhere for white holdings near Cross Lake. In some cases they even bought out the white man's bailiwicks.

The last two season's, there has been a lush muskrat catch on the Minago River. The "Company of 20" is riding on a wave of prosperity and has now applied to the government for a fur dealer's license so that their neighbors can do business with them on a barter basis.

The theatre is still doing a thriving business. Wild west shows are the favorite programs. On the radio Indians of the north have two kinds of favorite programs, mouth organ solos and cowboy songs.

TRAIL SCHOOL DISTRICT NO. 11, B.C., has sold a new issue of $153,000 3½% debentures maturing in 20 installments by tender to J. L. Graham & Co. Eight tenders were submitted, that of the successful bidders being the highest at $99.879 or a cost to the school trustees of about 3.51%. Proceeds are to pay for the rural area's share of cost of building and equipping four new schools and two additions to existing buildings.

BANK OF CANADA

	Sept. 14 1949	Sept. 7 1949
Liabilities	$	$
Capital paid up	5,000,000	5,000,000
Rest. fund.	10,050,367	10,050,367
Notes in circ. .	1,287,799,793	1,285,531,645
Deposits: Dom.	87,236,123	91,806,494
Chart. banks.	569,500,742	590,586,536
Other	57,053,120	58,012,505
Total deposits .	713,789,985	740,405,535
Liabs. payable in sterling U. S. A. and foreign gold currencies:		
(a) to gov. of Can.	58,717,080	58,017,528
(b) to other .	22,526	22,526
Total	58,739,606	58,040,054
All other liab. .	23,068,470	19,824,659
Total liabs.	2,098,448,221	2,118,852,260
Assets		
Sterling & for'n	53,739,607	53,040,054
Other curr.	15,892	39,016
Total	53,755,499	53,079,070
Subsid. coin ...	244,343	253,107
Investments:		
Gov. sh. term	1,555,129,936	1,554,570,184
Oth. gov. sec.	432,406,835	435,832,238
Other secs. .	5,000,000	5,000,000
Total invest. ..	1,992,536,771	1,995,402,422
Total share cap. at cost	25,000,000	25,000,000
Premises	2,443,463	3,442,422
All other assets	23,468,145	41,675,239
Total assets ...	2,098,448,221	2,118,852,260

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SILVER MILLER MINES is proceeding with installation of its 50-ton mill with production scheduled to start in October. Underground workings are being prepared for production and exploration of cobalt showings is under way on the 440- and 500-ft. levels. Mill rock from the 410- and 440-ft. levels is being stockpiled on surface with 10,000 tons of material now on dump to provide initial mill feed. A raise for an ore pass from the 440- to the 410-ft. level showed high-grade silver for two thirds of the distance.

NEW JASON MINES has received $20,025 for 44,500 shares at 45 cents a share covering Sept. 8 underwriting, together with $80 to apply on the Oct. 8 installment under agreement with H. R. Bain. Issued capital is 3,222,069 shares, leaving 277,931 in treasury.

SOUTH BRAZEAU PETROLEUMS has received payment for 200,000 shares sold to L. Phillips at 12½ cents a share. Issued capital is 3.2 million shares, leaving 800,000 in treasury.

Hunting Trip in the Wind?

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What Makes a Good Annual Report?

Here Are Views of a Leading Canadian Businessman

What should an annual report tell? and why? Before the recent annual meeting of Dominion Association of Chartered Accountants, an outstanding Canadian merchandiser, J. William Horsey, president of Dominion Stores Ltd. and president and director of several other Canadian companies, gave his views on "merchandising" annual reports. Here is a digest of his address;

By J. WILLIAM HORSEY

The financial annual report provides an important opportunity to make friends. It provides an opportunity to increase public understanding of your company and to build goodwill among the thousands of people you do business with as customers, shareholders, and employees, and among the thousands of people who don't know your company at all.

Business today, that is YOUR business, and every other Canadian business, needs friends as it has never needed friends before. When you help people to understand your business a little better, you help them to understand all Canadian business, and you profit from this better understanding.

If this association were to make a survey of shareholders in all walks of life to find out what they want to know about the companies in which they invest, and then place the results of your fact-finding before your clients, it would revolutionize our annual reports in a short time.

There would be no question as to what disclosures should be made, and the need for understandable simple language would be readily apparent. Why do so many companies print a separate report for their employees? Is it not an attempt to simplify statements about things which in themselves are not difficult to understand?

Why is it necessary to draw pictures of rows of cottages, loaves of bread, bags of flour, piles of lumber, steel, etc., but for the necessity of translating obscure language into simple illustrations of things which themselves are not obscure?

In speaking of "disclosures" we get down as a rule to dealing with argumentative points that have to do largely with history—where a company has been. That is necessary, but surely where a company is going is of far greater importance.

The Human Assets

As an investor, no matter how good a company's history may be, I am far more concerned with its future. That future is tied up inseparably with the greatest asset any company has. That asset is not shown on the balance sheet. I don't know why its value cannot be satisfactorily dealt with in the annual report. What good is derived from properly examining and disclosing the facts about an unsatisfactory inventory if the management condition that allowed such a situation to develop is not disclosed? Of what value is it to show that an inventory is all right, if the thinking and execution on the part of management is rapidly destroying the company's consumer franchise?

Surely, when mismanagement is evident, should there not be some indication of the situation in the auditors' report?

How can the disclosure be made? There you have me, I don't know. But I raise the question—why is it not possible to appraise the Human Asset? Banks and financial institutions will lend money on balance sheets, and bricks and mortar, but these will not pay them back. "People and not things make money," said Mark Hanna, and "People, not things" will pay them back.

Now, to be fair, there has been progress in improved financial statements. This progress has been influenced largely by the needs of those who have had the most extensive interests — the owner of the business, the shareholders, the creditors, and the investing public.

Financial statements of publicly owned corporations as published today are intended primarily as reports to shareholders on the operation of the business, and as guides to the investing public. To these groups the item of greatest interest is "net profit," or "what is left," after all costs of operation, for dividends and reinvestment in the business for its further development.

From my point of view, however, the purpose to be served by financial statements is not only to provide a full accounting of a business stewardship to its present and potential shareholders, but also to its customers and its employees, as well as to the producers, manufacturers, processors, and suppliers with whom it does business.

The development of mass production and new applications of science in all phases of business generally, have enlarged the public stake in being fully informed about business. Furthermore, facts contained in modern company reports are of basic interest to the public, because now more than ever before these facts have a direct bearing upon the standard of living and the cost of living of the consuming public. As a result of this rapidly increasing public interest in accounting and financial reporting, the consumer is beginning to learn that the results of business are closely related to prices, wages, dividends, and security values.

Unfortunately, there still remains a very large proportion of the public which tends to regard big business as remote and impersonal—run like a machine by some unknown group of policy-makers. These people misunderstand the development of business, the nature of business, and how business works.

All too frequently this misunderstanding expresses itself in a number of false impressions. One misconception is that corporate business organizations are set up to levy excessive profits upon the public, and are therefore detrimental to the public interest.

Another is that large corporations especially those with widespread retail outlets, are owned by outside interests and bleed the communities they enter, whereas exactly the opposite is true. The annual report and its financial statements must be so designed and written as to remove all such false impressions and misconceptions, and to replace them with a respectful and healthy public attitude toward business.

We must remember that we have something to sell besides merchandise. We are financed by the public. Investors furnish the capital needed to run the business. What they think about the company determines the continuing market for our present stock, and will determine the acceptance of any new financing we may need to undertake.

Attempts to gloss over public confusion about corporate affairs, by the use in annual reports of pretty colored pictures, futuristic designs, and vague phraseology, will not do the job.

What Profits Mean

Let us refer to the first misconception I mentioned previously—the levying of so-called unwarranted profits. By means of a simple accounting breakdown of the average sales dollar, and properly selected words, the Annual Report can show how its revenue is divided between producers, suppliers, proprietors, municipalities, governments, employees and shareholders; and that the corporation is serving the common interests of all who share in its existence.

In other words, the public interest in financial statements must be served through emphasis upon the mutuality of the interests of shareholders, employees, the customer of big and small business, and of industry and agriculture. There is a need for increased public realization that shareholders in considerable measure depend—and the employee altogether depend — for their livelihood, upon the manner in which the company serves the public. Since shareholders and employees are also our customers, no interest can conflict with another interest without also conflicting with itself.

The corporate annual report, together with its financial statements, as the official voice of business must become a new type of document to spread the true basis of business progress, and to convey faithfully, essential corporate messages to all its readers in a clear and comprehensive manner.

Use Plain Language

The evolution of accounting and financial reporting over many years has developed a special vocabulary of technical terms, such as: depreciation, overhead, gross earnings, net earnings, gross profit, net profit, operating profit, surplus, earned surplus, capital surplus, capital, invested capital.

These terms, together with innumerable other words descriptive of vital factors which enter into business as we know it today, perplex and confuse the great majority of people.

J. WILLIAM HORSEY

It is encouraging to observe that a great many companies, with the assistance of their auditors, are now joining the attack on these misleading and confusing words which I just mentioned, and a number of recent reports are outstanding examples of clarity and readability. In many instances, of course, technical terms are necessarily retained, but in such instances they are accompanied by understandable variations in terminology.

Unfortunately, many people seem to ignore new ideas simply because they are at variance with what they have been accustomed to for many years. For example, the treatment of prepaid expenses as a current asset, recommended by your committee on accounting and auditing research two years ago. There are still many annual reports that apparently follow the old rule-of-thumb method, that a current asset is something which must turn into cash within 12 months. This is not necessarily so. Why should a company which has paid rent in advance result in showing a lower working capital than that of a comparable company which pays its rent at the end of the month? The prepayment of such expenses as rent, insurance, taxes, advertising, etc., certainly, in my opinion, does not impair the current position of a going concern in comparison with that of a competitor who defers such payments until a later date.

Balance sheets commonly classify inventories as current assets, even though this item is known to include, in many cases, operating supplies which are in a sense similar to prepaid expenses, in that they are expected to be consumed in the normal course of operations. Salaries, wages, rents, taxes, light, power, telephone and other similar items are accrued and shown as current liabilities which reduce the working capital.

If some of these expenses are prepaid instead of accrued, why should they be dropped from the current asset classification? It seems to me that if one accounting method is more logical and more useful than another, then it should be generally adopted. The fact that the item in question is usually not of material importance is not a good enough reason for treating it illogically.

Our company accounting department when reporting each quarter in long form to top management, includes a detailed report entitled, "Source and Application of Funds," which I personally find to be most informative.

This statement, indicating the flow of cash in and out of the business, shows in a concise manner the changes in the financial position of a company, and is, I believe, of substantial use to most businessmen.

Such a statement, if presented properly and perhaps with more descriptive terminology, could be used very effectively in most annual reports, and should prove to be of real value to the average reader when he raises the oft-repeated question, "What happened to all the money we made?"

Many published statements do little more than conform to the minimum requirements of the Dominion Companies Act. This is perhaps understandable in certain cases when disclosure might give valuable information to competitors. If accounting and financial statements are to be useful to both business management and the public, however, the answer rests largely with the professional accountant to encourage better methods. After all, the certifying accountant in his report to the shareholders does state that in his opinion the statements are so drawn up as to exhibit a "true and correct" view of the affairs of the company.

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What One Company is Doing to Help Britain and YOU in the Postwar Dollar Crisis

By devaluing the pound, England is doing her full part.

Now let us help Canada by helping Britain.

What Canada sells to Britain will cost Britain more with the cheaper £, so Canada must buy more British goods if Britain is to have enough Canadian dollars to pay for Canadian exports.

In keeping with this policy and to stimulate the use of British goods in Canada, the Wellesley Trading Company Limited, **the morning after devaluation**, announced very substantial reductions on all of its British made items including such well known products as: James Motorcycles, Villiers Engines, Freemans Subaseals and Allen Motor Scythes.

Britain needs Canadian as well as U. S. dollars. Without them she cannot survive the post-war crisis. This is bad for you as a Canadian business man or farmer, because only a solvent Britain is a good market for your goods. And it's bad for you as a taxpayer, because any other form of aid is costly until Britain regains her feet.

The operations of the Wellesley Trading Company Limited in Canada are aiding in giving Britain what she needs so badly, Canadian dollars. These dollars earned by the sale of British finished merchandise are hastening the day when Britain will pay her own way once more.

In bringing these goods to Canada, the Wellesley Trading Company Limited has deliberately looked for gaps in domestic supply. It aims to supplement rather than conflict with home industry. The success of this policy demonstrates the elementary lesson of friendly trade, for it brings to Canada important goods which it lacks. It serves Great Britain in her hour of crisis . . . to the advantage of all countries concerned.

The Wellesley Trading Company Limited with a Dominion Charter was organized to perform a service in marketing British made products in Canada and has had a remarkable success. Other British manufacturers are enlisting the services of Wellesley to aid them in Canadian distribution.

Any organization interested in the distribution of British goods in Canada is invited to contact the Wellesley Trading Company.

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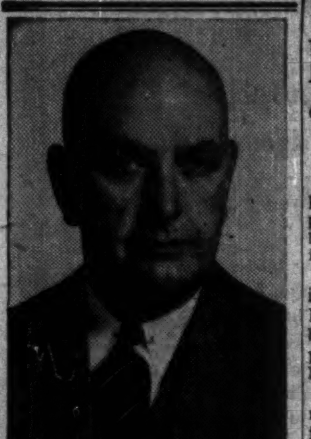
Kitchener — Ontario

MIDLAND OFFICE
39 Ashleigh Road, Solihull, Warwickshire, England

LABOR ROUNDUP

BY RONALD WILLIAMS

Labor's Foot in Door to Welfare State 'Now Part of Modern American Thinking'



HUGH E. O'DONNELL, K.C.

Mr. O'Donnell of Montreal has been elected a director of the Toronto General Trusts Corp. and chairman of their Montreal Advisory Board, succeeding the Rt. Hon. J. L. Ilsley who was recently appointed to the Supreme Court of Nova Scotia. Mr. O'Donnell is a member of the law firm of Magee, O'Donnell & Byers. *

Canadian industry, particularly pace-setting steel can expect pension and welfare demands to be at the top of labor's bargaining list in 1950.

Blame or credit for it, depending on the viewpoint, goes to President Truman's fact-finding board. To all intents and purposes it opened the door wide to labor's welfare state.

Social security, paid for by management, said the president's fact-finding board in its report on the steel dispute, has become "an accepted part of modern American thinking." Pensions "should be considered a part of normal business costs. . . ."

Unionwise as well as other ways, Canada traditionally trails the U. S. by six to 12 months. By this rule, the heat should go on to establish the same thing in Canada in 1950-1951 contract negotiations.

There was some pressure for social welfare benefits this year but it fell off when the CIO Steelworkers settled for a straight 10c pay raise and dropped so-called "fringe demands."

New impetus has now been given the drive. The fact-finding board recommended company-financed pensions and social insurance but flatly neglected union demands for a wage increase as well.

The welfare proposals worked out to the equivalent of 10c an hour — 6c for pensions of about $100 a month at 65; 4c for social insurance. The package would cost the industry about 2½% of total operating costs. Truman's board indicated the industry could afford this.

On social welfare this was about what the union had asked for and although the wage raise was turned down. C.I.O. Steelworkers President Phillip Murray didn't seem too unhappy. He promptly announced acceptance. He realized as did most that the welfare door was open and that the fact-finding board pretty well reflected administration thinking.

Now that pace-making steel has its foot in the door, other unions will start pushing. John L. Lewis' Mineworkers have had pensions for some time. Individual firms in other industries have too. But it took steel to make labor really welfare-conscious.

• • •

Railwaymen Want 40-hour Week

The time lag between labor gains here and in the United States was further emphasized in current railway negotiations. Across the line nonrunning trades are enjoying the 40-hour week. Today this is the chief demand being pressed by Frank Hall in behalf of 100,000 members of the AFL Railway & Shipping Clerk's brotherhood.

In Calgary, William Kennedy, Cleveland and President of the Brotherhood of Railway trainmen underscored it. His union, he declared, was starting a campaign to bring wages and conditions in Canada up to the U. S. level. The first target: the 40-hour week for yardmen without any reduction in takehome pay. Current work week: 48 hours.

• • •

Reds Win Round

The Communist-line CIO Mine, Mill & Smelter union has been on the receiving end of some hefty anti-Communist swings since getting kicked out of the Canadian Congress of Labor. Headed by Robert Carlin who was last week barred from the United States for life, Mine, Mill was reeling. Following its suspension, the CCL moved into the Ontario goldfields and took half a dozen locals away.

But last week the shoe was on the other foot. In Toronto, the Ontario Supreme Court ruled in favor of Mine, Mill and against the CCL in a battle for $16,000 in checked-off union dues being held by International Nickel at its Port Colborne, Ont. refinery. The unique case arose when Inco asked direction as to which union was entitled to the union dues it was collecting — originally employees belonged to Mine, Mill. Fed up with Red dictation from the top, they seceded and became a CCL local. The court ruled the tactics used in breaking away were improper.

• • •

Suicide Strike?

The end of the war brought an end to Soviet Russia's pseudo-friendship for the west and a resumption of basic Communist revolutionary tactics. It meant strikes, industrial unrest, chaos.

In hewing to this line, Canada's branch of the CIO Electrical workers led its members into several suicide strikes. In their zeal to do Moscow's bidding they lost strike after strike. Locals were destroyed, others seceded and went AFL or joined another CIO union.

This week, it looked like they had another packet of trouble on their hands. At Guelph, Ont., 300 employees of Leland Electric heeded their Red Leaders' siren call and staged a sit-down strike. They wanted the 40-hour week (now 42½); a 17c raise; company-financed pension plan; union shop. They charged the company proposed a 3c wage cut.

A company spokesman explained it this way: The 3c was a temporary raise awarded by a conciliation board last spring on the understanding that it would end Aug. 31, 1949.

Right or wrong, the Red-led UE was again employing same kind of disruptive strike tactics which had proved so disastrous for hundreds of other workers.

New Synthetic Products Added By St. Chemical

Standard Chemical Co. and General Aniline & Film Corp. of New York announce formation of a Canadian company, Chemical Developments of Canada, Ltd., to manufacture in Canada organic chemicals using the general "know how" and assigned patents of the U. S. company.

The products first to be manufactured by the new company will be a group of synthetic non-ionic detergents using ethylene oxide as a raw material. The products may be used in manufacture of a wide variety of products including synthetic soap and insecticides. Some of the new detergents have not been produced in this country before.

The new products will be manufactured in a newly-equipped factory at Longford Mills near Orillia, Ont. and should be ready from the new plant early in 1950. Chemical Developments of Canada has an authorized capital of $14 million. Stock ownership is divided between the two originating companies in the ratio of 51% to 49%, Standard Chemical Co. holding the majority shares.

Permanent Type Antifreeze In Better Supply

For the first time since the war there should be an adequate supply of permanent-type antifreeze on the market for Canadian motorists unless the winter is unusually severe, John B. Brook, assistant sales manager of Dow Chemical of Canada informs The Financial Post.

The firm is producing record quantities of ethylene glycol, the basic ingredient of permanent-type antifreeze products, at its Sarnia plant. The company is said supplying antifreeze manufacturers with more than twice the quantities of glycols supplied last year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

McCABE GRAIN CO. net profit for the year ended June 30, 1949, was off 33.7%. During the year, certain country elevators were sold, or dismantled, to be replaced by capital investment in less congested areas and more lucrative fields, the annual report states.

Generally speaking, 1949 crop results are proving more encouraging than had been anticipated earlier in the season. Working capital position continues to grow and substantially exceeds all long-term liabilities, it is said. Earnings of subsidiary companies have not been included in the report of the parent company.

INCOME ACCOUNTO

Years Ended June 30:	1949	1948
Net earnings	$498,152	$612,406
Add: Asset prof.	17,401	20,564
Less: Depreciation	145,325	125,295
Bond interest	36,909	31,375
Income taxes	139,000	183,000
Net profit	194,319	293,300
Less: Divds.	56,894	49,408
Surplus for year	137,425	243,892

*After provision for patronage dividends of $61,301 in 1948.

Times Bond Interest Earned:		
Before depr.	13.97	20.17
After depr.	10.03	16.18
Earnings per Share and Dividend Record:		
Class A	$4.33	$6.53
Paid	0.60	0.60
Class B	2.24	3.56
Paid	0.40	0.30

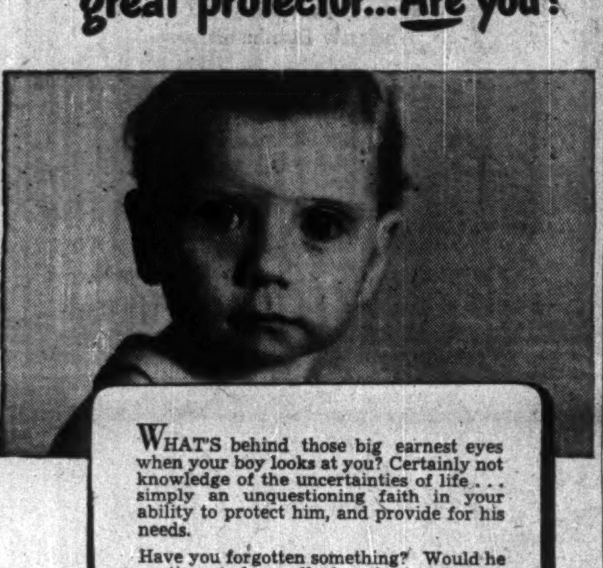
BALANCE SHEET

As at June 30:	1949	1948
Cash	$146,983	$113,765
Accts. rec., etc.	861,206	348,714
Inventories	7,805,524	4,585,275
Total curr. assets	8,813,713	5,047,754
Prep. exp.‡	36,754	44,394
Invest. in subs.	74,081	12,024
Misc. assets*	190,062	184,642
Fixed assets†	1,098,279	968,062
Total assets	10,212,889	6,256,876
Bank loans	5,461,996	2,293,035
Accts., taxes, etc., pay.	1,791,755	1,289,033
Patronage divds.	36,951	61,301
Bonds due	35,000	35,000
Total curr. liab.	7,325,702	3,678,369
Funded debt	850,000	895,000
Other liabilities	72,694	36,848
Capital stock	704,565	704,565
Capital surplus	16,154	16,154
Earned surplus*	1,243,774	1,125,940
†After depr. of	1,282,336	1,301,049
*Inc. ref. EPT	85,012	85,012
‡Incl. in curr. assets in co's report.		
Working capital	1,488,011	1,369,385

CITY OF BELLEVILLE, Ont., has sold a new issue of $323,300 3¼% serial debentures due Sept. 15, 1950 to 1969, to James Richardson & Sons at a price of $101.10. Next bid was $101.08. Proceeds are $205,800 for waterworks extension, $66,450 for a new fire hall and $51,050 for fire-fighting equipment.

For the Perfect Tribute...
MYERS ELLIOTT
FUNERAL HOME
W. Earle Elliott PRESIDENT.
KNOWN BY SERVICE
715 DOVERCOURT RD. LA 3301
(AT BLOOR)

To your boy, you're the great protector...Are you?



WHAT'S behind those big earnest eyes when your boy looks at you? Certainly not knowledge of the uncertainties of life . . . simply an unquestioning faith in your ability to protect him, and provide for his needs.

Have you forgotten something? Would he continue to have all of mother's attention, and a home free to grow up in, if you were prematurely taken from your family? You will enjoy your home more if you provide now for income to meet the mortgage payments and family expenses should the day come when your family is "on its own." Call in your Imperial Life representative today, and find out how you can do it—conveniently—quickly.

IMPERIAL LIFE
FOUNDED 1897 HEAD OFFICE: CANADA

WE SPECIALIZE IN STEEL PLATE FABRICATION

These bins were designed, built and erected by us for a Northern Ontario mine. They are an excellent example of our specialized ability in steel plate construction. Toronto Iron Works has an enviable reputation for quality and dependability in metal plate work of all kinds — steel, stainless steel, nickel, aluminum and alloy-steels.

Other T.I.W.-built steel plate products for the mining industry include: Agitator and Thickener Tanks; Storage and Solution Tanks; Mill Feed Bins and Hoppers; Clarifier and Vacuum Tanks; Air Receivers.

THE T.I.W. STEEL PLATE PRODUCTS
TORONTO IRON WORKS LTD.
DESIGNERS: FABRICATORS, ERECTORS • TORONTO • MONTREAL

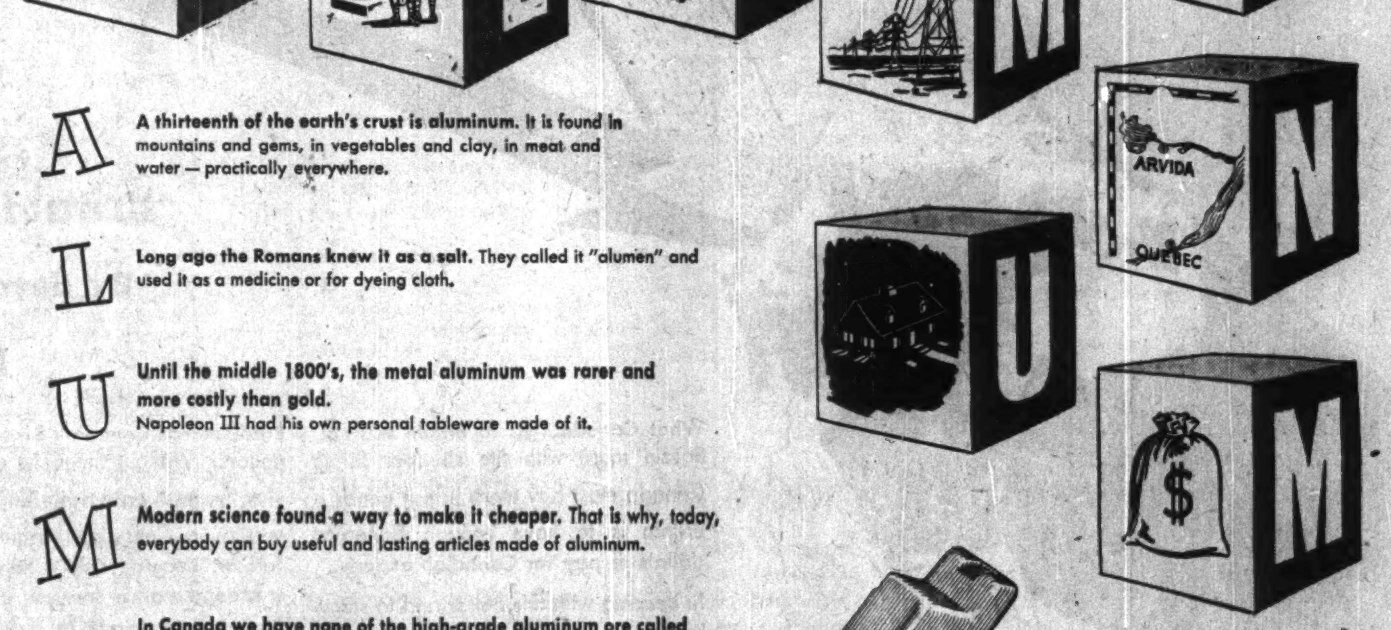
Faith IN CANADA

S. B. Coon and Son, Architects.

Children attending kindergarten at the Northlea Public School, in Toronto, and thousands of other pupils in schools throughout Canada today, will be the nation's leaders tomorrow. Modern school facilities greatly assist in the task of instilling faith in their community and country in the minds of tomorrow's men and women.

Not only at Northlea, Toronto, but also at Sudbury, Marathon, Tillsonburg and London, in Ontario, Arvida in Quebec and Halifax, Nova Scotia, "Foundation" has recently completed or is now building modern schools.

THE FOUNDATION COMPANIES CANADA
ENGINEERS AND CONTRACTORS
TORONTO • MONTREAL • HALIFAX



A
A thirteenth of the earth's crust is aluminum. It is found in mountains and gems, in vegetables and clay, in meat and water — practically everywhere.

L
Long ago the Romans knew it as a salt. They called it "alumen" and used it as a medicine or for dyeing cloth.

U
Until the middle 1800's, the metal aluminum was rarer and more costly than gold. Napoleon III had his own personal tableware made of it.

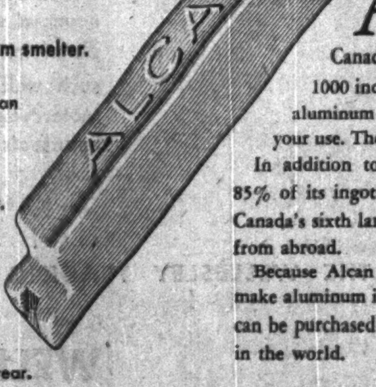
M
Modern science found a way to make it cheaper. That is why, today, everybody can buy useful and lasting articles made of aluminum.

I
In Canada we have none of the high-grade aluminum ore called "bauxite". Canadians bring it in by shipload from British Guiana — a voyage of 3000 miles.

N
Northeastern Canada has the world's largest aluminum smelter. Alcan built it there, at Arvida. This site was chosen because it is close to both a port for ocean ships bringing bauxite and an abundant source of hydro-electric power.

U
Until Alcan harnessed this water power, it ran to waste. Smelting aluminum needs vast supplies of power. The electricity required to produce one ton of aluminum would light your house for fifteen years.

M
More than 15,000 people operate this Canadian industry. They earn more than thirty-five million dollars a year. These earnings flow across Canada.



Alcan (Aluminum Company of Canada, Ltd.) makes aluminum ingots. More than 1000 independent manufacturers across Canada shape aluminum into light, strong, non-rusting articles for your use. The variety grows daily.

In addition to supplying these firms, Alcan sells about 85% of its ingots to other countries. This aluminum is now Canada's sixth largest export, a source of much needed money from abroad.

Because Alcan does market so much abroad, it is able to make aluminum in such large quantities that, in ingot form, it can be purchased more cheaply in Canada than anywhere else in the world.

ALUMINUM COMPANY OF CANADA, LTD.
Producers and Processors of Aluminum for Canadian Industry and World Markets.
MONTREAL QUEBEC TORONTO VANCOUVER WINDSOR

Divining rods have their uses

. . . And we won't argue with the people who use them in their proper field, but a divining rod will not point to the correct location for your new plant.

The Research and Development Department of the Canadian National Railways has the right equipment for that—a well trained technical staff, schooled in the proper interpretation of statistical data and experienced in the making of economic analyses.

Let us study your particular plant problem with you, and point with cold logic to the area in which you ought to locate. Selecting the actual site will be easy from there on.

DEPARTMENT OF
Research & Development
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MONTREAL 1, QUE.

CANADIAN NATIONAL RAILWAYS

DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
ESTABLISHED 1841
20 Offices in the Dominion

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Cancel Gander Rights? Ottawa before Sept. 30 will "review" temporary traffic rights at Gander in view of the U. S. Government's delay in implementing the Canada-U. S. air transport agreement, said Canadian Air Transport Board Chairman J. R. Baldwin. Promptly American Overseas Airlines urged Washington's State Dept. and Civil Aeronautics Board to defend the rights. Meanwhile, the legality of the temporary rights agreement, signed in Ottawa last June 4, is being questioned by Colonial Airlines in a federal court action at Washington.

• • •

Nova Scotia

Maritimers Like Margarine: Canadian Daily Newspapers Association's consumer buying report found that except in Prince Edward Island and Quebec where it's banned, margarine is bought by more than two thirds of urban housewives. Maritimes cities are credited with highest percentage purchase (78.6) with Prairies a close second, Ontario and B. C. tagging.

• • •

Prince Edward Is.

New Oats "Abegweit": Canadian Seed Growers' Association has accepted for registration a new variety of oats called Abegweit and developed by Charlotteown Experimental Farm. It's the first time an Island strain has been so recognized. Abegweit comes from a long series of experiments to develop a high yielding grain suited to Maritime conditions. It is up to the Experimental Farm to maintain the variety and although there's under 100 pounds of seed available now, some farmers and illustration stations are growing it and it should be available for general use next year.

• • •

New Brunswick

Spend Less, City Told: Saint John's civic net debt position isn't serious but could easily become so. So the common council was told by Executive Director Colter in a call to cut spending to the bone. Mayor Patterson said the warning was "very timely." Council unanimously approved the report, then learned that costs of water and sewer installations for a subsidized low-rent Dominion-municipal housing project already have exceeded $282,000 voted as expected full cost and may go another $115,000 to complete.

Quebec

Medicine in The Red: The medical student at McGill University pays $450 a year in fees. It costs the university $1,486 to educate him. So McGill Principal and Vice-chancellor Dr. F. Cyril James told the Association of Canadian Medical Colleges convention in Quebec City. And the cost is rising, he said in arguing need for federal aid of medical colleges generally.

• • •

Ontario

Essential to "Bare Education?" Ontario Municipal Board "appears to be quite concerned about portions of the expenditures representing the cost of what might be regarded as nonessential to bare education." So said a letter from Toronto's city solicitor to its Board of Education with reference to the latter's capital spending program. Over $2.5 millions is asked for construction in five existing schools. School board officers accepted the provincial board's invitation to appear before it and explain. Money for capital projects is raised through sale of municipal bonds.

• • •

Manitoba

Raps State Plans—Farms Get Power: Compulsory state marketing and production control provide no solution for problems in foodstuffs, "can only make the situation worse," said Winnipeg Grain Exchange President Stanley N. Jones at the annual meeting . . . Manitoba Power Commission Manager W. D. Fallis said the commission has obtained its 5,000 quota of contracts for rural electrification service to be provided in 1950. Included in the list are farmers in 42 rural areas and residents of 25 villages where there is no electric power service.

• • •

Saskatchewan

Four Needs: Stabilization of the province's basic product—wheat. Greater diversification of industry. Water conservation. Social security. These are the four things Saskatchewan needs, according to Premier T. C. Douglas in a recent speech. On the accomplishment side in industry: the province is dealing in fish, fur and timber; prospects for gold are "increasing" and uranium prospects "good." As well, he said, a million barrels of oil a year were being produced by 100 wells in the northwest area. Search for oil is "on the verge of expansion."

Alberta

"Pleasant Fictions": A century of misinformed schoolroom dogma has persuaded millions of Canadians that we wallow in natural resouces surpluses, Shawinigan Water & Power President James Wilson told directors of the Canadian Forestry Association meeting at Banff. These pleasant fictions, he said, explained why the public didn't worry about fires in 3.5 million acres of Canada's forests last summer and why the annual fire waste is 400 million cu. ft. "The entire story of retrograde forests, water and soil is a reflection on the Canadian mind and conscience and on Canadian industry."

• • •

British Columbia

City Business Tax Wins: Vancouver's controversial business tax sounded the clear note of victory. Of 45 appeals from revision court assessments heard by a board of assessment appeals, 28 have been dismissed, 14 withdrawn, 3 allowed. Total assessment reduction in the three allowed was $9,310, a loss to the city of about $652 in tax revenue. Vancouver's business tax rate was set earlier this month at 7% of the assessed rental value of business, against 9% last year.

N.B. Telephone Rate Decision Expected Soon

MONTREAL (Staff)—Decision on New Brunswick Telephone Co.'s application for higher rates will be announced by the New Brunswick Board of Public Utilities Sept. 29. Public hearings on the rate application have been completed, and evidence submitted is now under consideration by the three-man board.

Additional revenue of $2.3 millions after taxes, is needed over the period 1949 to 1951 to offset predicted deficits and meet interest and dividend requirements, company counsel contended earlier in the hearings. Unless the rate increase is granted, it was stated, deficits of $346,000 in 1949, $495,000 in 1950 and $619,000 in 1951 would be shown.

In summing up their cases, counsel representing municipal bodies opposing the application in most cases agreed that the company required additional revenue, but they questioned the amount and method of the increase.

A. Gilbert, for the City and County of Saint John suggested that the board would be better advised to allow an over-all 10% increase for a test period of one year, with an additional 5% on long distance calls. M. Gerald Teed for Saint John Board of Trade held that an independent rate expert should be engaged to examine the new rate structure proposed by the company, so that he could advise the board whether changes were being made the most efficient way. He agreed with Mr. Gilbert that an over-all temporary increase would be preferable while the proposed rate structure was being examined.

Company counsel A. N. Carter held that the new rates were not out of proportion with those elsewhere in Canada, considering the particular area served and the fact that other telephone companies are likely to apply for similar rate increases soon. He said he opposed the possible granting of an interim allowance because it would make it difficult for the company to carry out its long range expansion program. The rate should be fixed now, and possibly come up for review periodically.

On the 5% extra charge on toll calls suggested by opposing counsel, he said company officials did not consider such a plan feasible, since it would involve other companies on interprovincial calls, and he doubted whether they would agree to such an increase.

VICOUR MINES has been keeping its claim in good standing, annual report for the year ended May 31, 1949, reveals. Current assets total $122,447 at May 31, 1949, against $369 accounts payable.

FIREPLACE FURNACE
A POWERFUL HEATER FOR YOUR HOME

Pipe to heat upstairs

The Tweed Steel Works Fireplace Furnace draws the cold air out of the room, heats it and sends it back into the room hot. It saves fuel. Why install an old-fashioned fireplace to let the heat go up out the chimney to heat the outside world. Send for free catalogue and list of satisfied users. You will be interested in a Fireplace Furnace.

TWEED STEEL WORKS LTD.
TWEED ONTARIO

business calls in a . . .

Diplomat

The measurable influences which "SUPERFINE LINEN RECORD" bring to the aid of business are assets that you may buy for the fraction of a cent more per letter than the cheapest of bond papers. We suggest that you consider this interesting fact when you are about to specify a paper for your company letterhead.

In those delicate negotiations that involve substantial transactions and the destinies of commercial enterprises, Business calls in a Diplomat, whose mission is to personify good faith, confidence and goodwill. They call that Diplomat, "SUPERFINE LINEN RECORD", Canada's finest all-rag bond paper.

SUPERFINE LINEN RECORD

To the impressive surface of "SUPERFINE LINEN RECORD", they entrust important written communications that state a case, plead a cause, or defend a position. To "SUPERFINE LINEN RECORD", they confide the secret terms of vital agreements, contracts and deeds, that will become the archives of business history. For they can measure the weight and impressiveness which words gain when transcribed on this rich and beautifully fine paper. They know that even the shrewdest of men are susceptible to the influence of this crisp, substantial and aristocratic bond. And so the diplomatic influence of "SUPERFINE LINEN RECORD", has a definite value and a definite place in business affairs.

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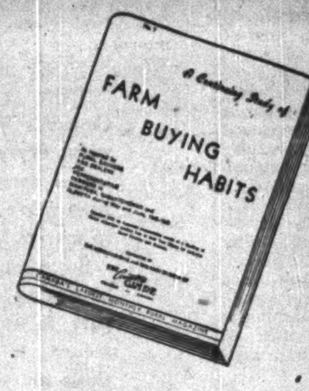
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL, QUE.

BRANCHES AT TORONTO, ONT., AND WINNIPEG, MAN., MILLS AT ST. JEROME, QUE. AND AT MONT ROLLAND, QUE.

NEW, IMPORTANT MARKET INFORMATION
about
WESTERN CANADA
for your files



SOME HIGHLIGHTS

Retail merchants in Alberta expect that their sales will show a further increase this year.

★

Farm living standards and home improvements will continue to increase during the next few years.

★

Farmers report a continuing need for new equipment for both farm and home use.

★

Each of 47 bank managers interviewed reports that farmers in his district are in sound financial condition.

★

Farmers have less indebtedness, higher savings, more insurance, greater buying power than a year ago.

★

Average farm indebtedness reduced 60% to 70% during the past 10 years.

★

2 out of 3 farmers now own their land clear and have liquid assets in the form of cash or bonds.

★

More retail merchants think farm publications are the most effective advertising medium by which manufacturers can reach farm families.

BASED ON 1948-49 FIELD RESEARCH

Study No. 7 of Farm Buying Habits, now off the press and ready for distribution, continues and supplements our survey made last year, providing new and detailed market information based on interviews with bankers, merchants and dealers, and farmers in the Province of Alberta.

Results of interviews are reported in detail. Such matters as farm purchasing power, savings and investments of farm families, long-term and immediate buying intentions; shopping habits; short and long-term loans; current and future prospects for financial security; types of services rendered by dealers and retailers; reactions to and uses of various products; present and future extent of electrification; reactions to advertising; farmers' current indebtedness:—all these matters are reported.

Detailed study of this representative survey is a MUST for every Canadian manufacturer and advertiser, whether or not he is currently interested in the prairie market. More and more prairie homes are demanding the products available to urban dwellers—and have the money to pay for them.

AN IMPORTANT CIRCULATION CHECK HAS BEEN ADDED

To each of the 47 bankers and 48 merchants and dealers interviewed was sent a GUIDE subscribers list for his territory, requesting that each name recognized as a farmer be rated "average"; "above average"; or "below average". 65% of these lists were checked and returned, representing 6,130 farmer-subscribers. Of these, 36.3% were rated "above average"; 54.7% were rated "average"; while only 9.0% were rated "below average". Dealers identified 74.4% as customers.

If you have not received or would like a copy of this booklet, write or phone our nearest office.

THE Country GUIDE
WINNIPEG - CANADA

More than 73% of the Homes of Manitoba, Saskatchewan and Alberta are Rural

ADVERTISING OFFICES
CANADA—TORONTO, ONT.—J. McGoey, 17 King St. E. VANCOUVER, B.C.—J. N. Hunt & Assoc., 505 Dunsmuir St.
UNITED STATES—NEW YORK, N.Y.—Billingslea & Ficke, 420 Lexington Ave.
CHICAGO, ILL.—Peck & Billingslea, 123 W. Madison St.
EUROPE—LONDON, W.C. 2, ENG.—Clougher Corp. Ltd., 24 Craven Street

Is your industrial heating plant in a strait-jacket?

Your heating plant is in a strait-jacket if it does not provide heat as, when and where required, in all weather. Strait-jacket heating wastes fuel dollars, causes discomfort . . . may lower worker efficiency.

Honeywell Zone Control removes strait-jackets from heating plants . . . makes them meet comfort heating requirements THROUGHOUT the building at substantial fuel savings.

Thermostats, strategically located, operate motorized valves on distribution lines which supply building zones. Each zone receives only the amount of heat required to maintain the desired temperature level.

Zoning overcomes the effects of sun and wind on different parts of the building. Offices are kept comfortably warm, while manufacturing and shipping areas are held at manual work levels. Building sections of different construction, with wide variations in heat loss, can be separately zoned to further reduce heating cost. For a copy of our new booklet, "Zone Control With Inside Thermostats", fill in and return coupon today.

ZONE CONTROL

MINNEAPOLIS-HONEYWELL
REGULATOR CO. LIMITED
LEASIDE, TORONTO 17, ONT.

Please send me the new "Zone Control" booklet as advertised in the Financial Post, May 21, 1949.

NAME ....
ADDRESS ....
CITY .... PROV. ....

MINNEAPOLIS Honeywell TEMPERATURE CONTROLS

Are You a *Good* Provider?

The time during which wild creatures must provide for their families is brief. With human beings the reverse is true. No man can be sure that his family responsibilities will not outlast his lifetime.

In providing for today it is easy to neglect provision against this uncertainty of tomorrow. Yet there is an easy, *sure* way to make it.

Life Insurance can be planned to meet individual family needs . . . to provide a guaranteed monthly income that is proof against mischance.

A Manufacturers Life representative can help you to plan it in keeping with your means and requirements.

THE MANUFACTURERS LIFE INSURANCE COMPANY
HEAD OFFICE (Established 1887) TORONTO, CANADA

Meadows
Export — Import
SHIPPING AND CUSTOMS HOUSE BROKERAGE SERVICES
THOMAS MEADOWS & CO., CANADA LTD.
Foreign Freight Forwarders — Customs House Brokers
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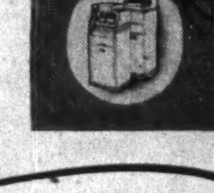
Established 1920
MONTREAL
276 St. James St. W.
MA. 5771 (3 lines)
TORONTO
200 Bay St.
EL. 3411 (5 lines)

You're "making good time" . . . sitting behind your desk, relaxed, talking your thoughts into an instrument that has freed your secretary for other duties. For her, the Edison Voicewriter repeats your words with even greater clarity than spoken.

Whether it is the disc-type or electronic cylinder, Edison's exclusive Ear-Tuned Jewel-Action "tailor makes" your voice, selecting higher tones which give your words definition, eliminating errors and time-consuming repeats. No other instrument matches Edison understandability, because only Edison has Ear-Tuned Jewel-Action.

Phone "EDIPHONE" in your city, or write Thomas A. Edison of Canada, Ltd., Toronto 1, Ontario.

Edison Safety Discs can be resurfaced and re-used repeatedly.



Thomas A. Edison
THOMAS A. EDISON OF CANADA LIMITED
EDIPHONE DIVISION — 205 RICHMOND ST. WEST, TORONTO 1, ONT.
Sales and Service Offices Throughout Canada

What's New

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

"Cover-A-Button"

Ingenious new button for women's clothes can be self-covered at home in a matter of seconds to match material of any dress, suit or jacket, available soon states Connecticut firm. Said to be washable and rustproof.

• • •

Collar Stay

Collar stay, made of a special white plasticized fibre which is self-conforming to the individual wearer's neck-line is instantly attached to any soft, fused or starched shirt collar of any length or spread; eliminates crushed, wrinked or rolled up collar points, according to Los Angeles firm. Requires no pins, hooks or special slots; completely invisible when worn; cannot work loose or fall out; cites maker. Applied by simple thumb and finger pressure, the self-adhering collar stays are said to hold securely to the under side of any collar point until deliberately removed prior to laundering.

• • •

Bath Bubbles

Bath aroma bubbles developed by Chicago firm do not leave ring around the tub, maker claims. Bubbles remain when soap is used because of the detergent encased in bubble.

• • •

Door Closer

"Win-Dor Snugger" is said to close warped and twisted cabinet, closet and cupboard doors and keep them shut tight. Is not a friction catch, Chicago manufacturer states. Easily installed with screwdriver; requires no mortising or fitting. Attached to inside of door is housed keeper actuated by steel spring. When door open, Snugger keeper finger is extended from housing ½ in., ready to grab hook on door with positive pull. Balancing said to be so accurate that only slightest pressure needed to open and close door without bounce back.

• • •

Compact

Compact with a wind-shield to prevent mirror from being clouded with powder has been announced by New York firm.

• • •

Carburetor Preheater

"Quik Start" carburetor preheater for overcoming car-starting difficulties in winter weather is said to operate on new principle. At zero, and at temperatures down to 20 below, preheater will start a cold engine despite low battery, while at normal winter temperatures starting efficiency is improved considerably, reducing battery drain, New York company states. Designed for installation between carburetor and intake manifold, unit consists of nichrome heating element held by two terminals in plastic gasket. Terminal wires attach into battery line, and control switch is provided for dashboard mounting. Available for all makes of cars in low and medium-priced fields.

• • •

Disinfectant

"Scento-Pine," new disinfectant, deodorizer and cleanser offered by Indiana firm is designed specifically as a general purpose disinfectant. Said to be effective against both fungi and bacteria; non-corrosive and non-irritating to the skin. Active ingredient is recently developed substituted phenol, Santophen I.

• • •

Flooring Product

"Arlon," resilient plastic asphalt tile is new flooring product developed by Pennsylvania firm. Said to combine a completely different monochromatic concept of coloring with high resistance to oils, greases, fats, alkali and wear. Is manumactured from combination of plastic and asphaltic compounds, in eleven shades. Each pattern has a base color with which slightly lighter and slightly darker tones are combined to provide an almost plain color effect. Variation in tones helps to conceal footprints and marks which would be noticeable on a plain color floor, states maker. High resistance to alkali said to make it practical for installation on grade or below grade, as well as on suspended wood or concrete subfloors.

• • •

Anti-Fogging Process

Process for prevention of fogging on large display windows being distributed in Canada was developed by Pittsburgh firm and is said to be simple and inexpensive; applied with a squeegee in same manner as that employed by professional window washers. First treatment said to last about a week, following treatments 30 days or more; each additional application having an increasingly longer effectiveness.

• • •

Casting Process

Metal casting process developed by Connecticut firm simultaneously casts, molds, forges and coins product to finished state and is said to eliminate 60%-70% of machining operations normally required on a casting application. Also claimed to achieve an improvement in tensile and yield strength of 10%-40%. Said applicable to forming of all metals, including aluminum, steel, brass, bronze and copper.

• • •

Facsimile Reproductions

Sharp and clear facsimile reproductions of business letters, legal documents, news clippings, musical scores, etc. are said to be provided at two-thirds less cost than conventional photostats by process developed by New York firm. Savings made possible through use of modern automatic machinery plus more efficient but less expensive paper, company states. The "Trans-Master" photographic technique, originally developed to provide fast, clean-cut and low-cost reproductions of musical scores, is said to print, develop and fix sharp black-on-white reproductions six times faster than ordinary photostat methods. Reproductions are made on flat instead of glossy stock making it possible to paint or write on the prints. Can be printed on both sides at little extra cost.

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Hell's Gate Help to Salmon? B.C. Catch to Date Says Yes

From Our Own Correspondent

VANCOUVER—The rich sockeye salmon run in the Fraser River this year is already 300,000 fish higher than the cycle year 1945, bringing new wealth to British Columbia and new joy to the Pacific International Salmon Fisheries Commission.

The salmon returns to the rivers every four years to reproduce and die. In 1945, the total answering the homing instinct was 1,685,000. This year's big increase is credited largely to the commission's fish ladder at Hell's Gate in the Fraser Canyon. Built in 1945 to help the fish surmount changes brought by a 1913 slide from railway blasting, the fishway received its major test this year: Did enough extra fish get up the river in 1945 to yield a bigger run in 1949?

Lacking any other answer, this year's increase says that is what happened.

John Buchanan, president, B. C. Packers, said in his annual report that some 400,000 sockeye "escaped" to the far northern Stuart Lake spawning grounds, all but barren since the 1913 slide. No official count is available yet, but the Stuart Lake run was unmolested. It was all over before the commission allowed any fishing by either American or Canadian boats. The big catch was from the Chilco Lake run, and here again the escapement was heavy.

Enthusiasts are now predicting that after a few years the commission "fish-farming" activities will produce a surplus of sockeye.

Catch of Fraser sockeye is already more than two million and the commission expects another 150,000 will be landed before the season ends this fall.

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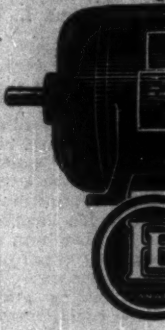

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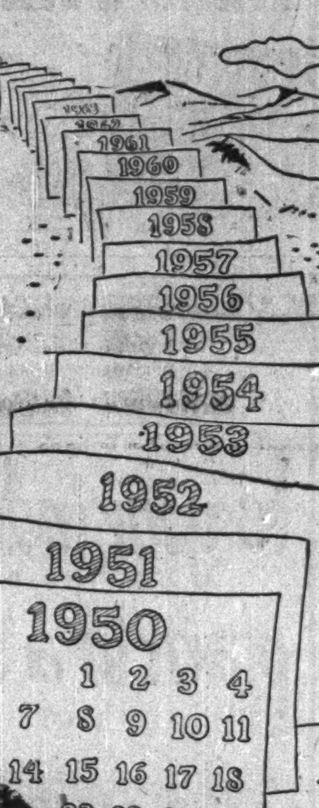


CANADA'S RAILWAYS MUST LOOK YEARS AHEAD

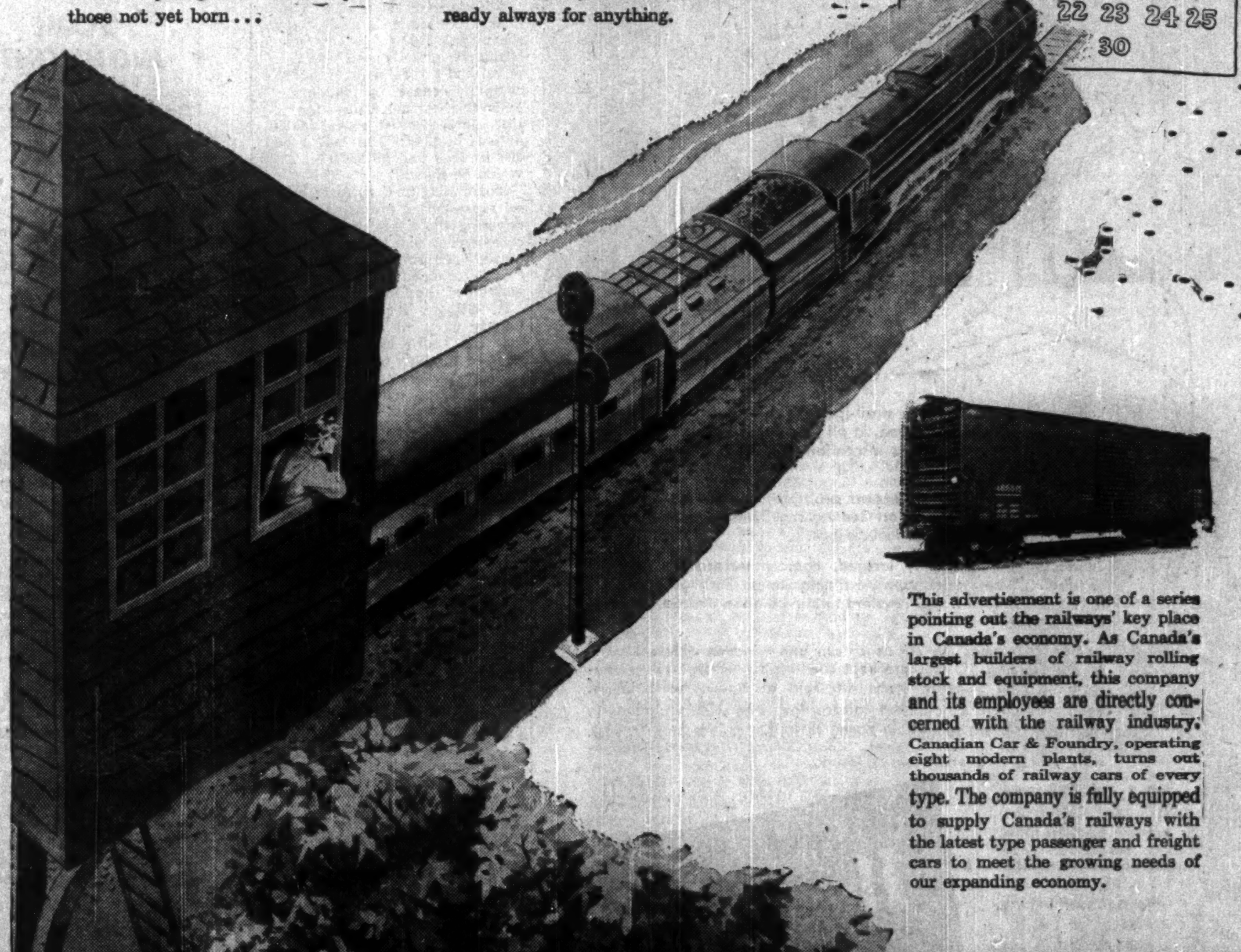
They are the veins and arteries of Canada's life . . . They bring the supplies which every city, town and village home—and every farm—must have to eat, keep warm, and work . . . And they take to market the products of men's labour.

So, summer and winter, as far ahead as anyone can see, they must do their part to safeguard the well-being and security of every single Canadian—even those too young to see a railway—even those not yet born . . .

And, in the war, they became the nation's "fourth armed service", and did double duty.

You see, it is not enough for Canada's railways to be equipped for the ordinary. They must be prepared to cope also with the extra-ordinary, with emergencies.

All this takes long-term planning. Rolling stock cannot be built overnight, nor tracks, nor terminals. Nevertheless, Canada's railways must look ahead to be ready always for anything.



This advertisement is one of a series pointing out the railways' key place in Canada's economy. As Canada's largest builders of railway rolling stock and equipment, this company and its employees are directly concerned with the railway industry. Canadian Car & Foundry, operating eight modern plants, turns out thousands of railway cars of every type. The company is fully equipped to supply Canada's railways with the latest type passenger and freight cars to meet the growing needs of our expanding economy.

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The Financial Post

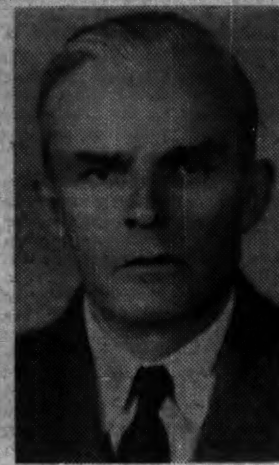
Vol. XLIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, September 24, 1949 | Fifteen Cents an Issue, Five Dollars a Year | No. 39

They're Supersalesmen for The Provinces

Here Are Key Men in Interprovincial Trade Conference

LOUIS CODERRE joined Quebec's civil service in 1936 as Deputy Minister of Municipal Affairs, Trade & Commerce, in 1943 became deputy of a detached and enlarged Trade & Commerce. Born in Montreal, 52, he's a graduate of Ottawa and Montreal universities, was nine years with Acme Glove and two with Quebec's shoe industry committee.

F. J. ("Pat") LYLE sparked conference. Brantford born, 52, Director of Ontario Planning & Development's Trade & Industry branch, he staged Ontario's first municipal conference on industrial development last winter. Production manager in several Ontario tanneries. Col. Lyle was in 1945 Ontario's industrial commissioner of London.



W. A. MOORE is New Brunswick's Industry & Reconstruction Deputy Minister. Ontario born, he moved from Royal Bank to Ford Motor Co., in 1927 joined Irving Oil in Saint John, in 1937 organized his own oil-distributing firm, operating it until a wartime appointment as Ottawa's regional oil controller for New Brunswick. Took his present job in 1944.

J. E. OBERHOLTZER, 35, Alberta's Deputy Minister of Industries & Labor, was three years with Alberta Research Council; is a graduate of University of Alberta in chemistry, industry research. With Allied War Supplies Corp., near Calgary 1941-44, he started as a shift boss, ended as assistant to general manager at Montreal head office.

R. H. CUZNER is Director of Industry in Nova Scotia Trade and Industry Dept. Ottawa-born, educated there, in Indiana and Nova Scotia, he's a civil engineer-lawyer with background in mining and construction. Mr. Cuzner took the post last April, has a sizeable promotion program humming and growing results to show for it.

REX E. GROSE in January, 1948, became director of Manitoba's Industry & Commerce Dept., earlier was in Ottawa as a Mines & Resources officer. At 34 he's Canadian director of the American Society of Planning and Industrial Development Association, secretary Midcontinent Council of Industrial Development Agencies.

D. H. F. BLACK has been the Saskatchewan CCF Government's Deputy Industrial Executive in the Crown company, Government Finance Office for last 3½ years. Toronto born, 38, he's a lawyer graduate of McGill, practiced law in Montreal three years, wound up duties in the East as personnel manager, Dominion Bridge Co.

R. S. O'MEARA has been Trade Commissioner in British Columbia's Trade & Industry Dept. for last 4½ years. Toronto born, 53, he graduated in commerce from McGill. Before joining B. C.'s civil service 10 years ago, was in Federal trade commissioner service as assistant and full commissioner in 11 overseas posts.

That's Role New Departments Take In Finding Industry, Boosting Trade

By CLIVE CHATTOE

In a secluded wayside inn near Lindsay, northeast of Toronto, 25 trade and industry officials from provincial capitals and Ottawa will sit down next Monday through Wednesday for the first interprovincial conference on industrial development.

Though it hasn't policy-making status, the meeting is seen as making an important long-run contribution to most of our national industrial objectives—U. S. dollar saving and earning, expanded trade abroad, more jobs for Canadians through branch plant and expansion projects to boost the nation's bulk output and product diversification.

Participating either actively or as observers will be delegates from Ottawa's Dept. of Trade and Commerce, the Industrial Development Bank, the railways and leading banks.

Conference sponsors hope the talks will lay groundwork for achievement of three major new aims:

1. To cement and broaden provincial co-operation with Ottawa's Industrial Development Division and Trade Commissioner Service, and with municipal and other local industrial development agencies;
2. To establish a continuing conference of provincial agencies, possibly an interprovincial organization;
3. To improve and possibly co-ordinate the promotion programs of the provincial governments.

Whatever is accomplished, the meeting is seen as recognition that industrial development agencies of the provinces, formed largely since the war, have found a permanent place in the nation's economic organization.

These aides to industrial growth will discuss eight main topics:

1. Relationships between provincial agencies and (a) Ottawa, (b) municipal agencies, (c) the chartered banks, (d) railways, (e) each other and (f) provincial immigration organizations;
2. Activities outside Canada;
3. Provincial role in financing new industry;
4. The industrial role of provincial scientific research organizations in resources, process and product development.
5. Role of the provincial agency in the industrial defense preparedness program and other national industrial projects;
6. Advertising and promotional methods;
7. The trade function of a provincial trade and industry organization;
8. Provincial statistics.

Here's what the agencies concerned in this conference are presently doing, what they're individually aiming at:

* * *

Ottawa

Main function of the Trade and Commerce Dept's Industrial Development Division is to regularize industrial development activities carried on in that department for 30 years in conjunction with the Trade Commissioner Service.

It's a clearinghouse for preliminary information for outside industrialists considering expansion to or in Canada. The division, often working with provincial agencies, gives the industrialist all the preliminary data he needs to make the decision to locate in the country. Then it places him in touch with regional or local industrial agencies.

The division has seen an estimated 65 to 100 branch plants and "refugee" industries set up in Canada in 1949, besides domestic new industry. And the trend seems likely to continue into 1950 at about the same rate, according to the division's Director G. D. Mallory.

The division plans closer co-operation with all other industrial agencies, as exemplified by its presence at next week's meeting.

* * *

Newfoundland

Canada's 10th province last week staged in St. John's its first industrial and trade fair (The Financial Post, Sept. 10). The Government is organizing a department of economic development with Premier Joseph E. Smallwood as minister (The Financial Post Aug. 6). There is also the Newfoundland Industrial Development Board, of which the director is H. J. Russell Jr., and secretary, L. J. Harnum, representing the province's business community.

* * *

Prince Edward Island

Recent advent of Canada Packers and Matthews-Wells is seen forerunner of substantial further development of industry to process and pack the Island's farm and fish products, and possible later entry of other industry.

* * *

Nova Scotia

To assist expansion of existing industries and to promote new ones, the Trade and Industry dept. was set up toward the end of the war. Sites have been secured, market and industrial surveys made in Canada and abroad. Nova Scotia Research Foundation has helped with technical studies.

Results have been good. From U. K. have come Fairey Aviation, to repair and recondition aircraft, later to make naval planes; also, Cossor, one of the Commonwealth's biggest electronic manufacturers; from Scotland, a woollen knitting mill; from Europe, a cutlery-maker seen as potentially a big-scale producer. Trade & Industry in 1946 bought the wartime naval base at Shelburne, turned it into an industrial estate with six different kinds of manufacturing.

For the early 1950's the province expects industries from Quebec, Ontario and United States as well as from U. K. and Europe.

* * *

New Brunswick

The five-year-old Industry & Reconstruction dept., with more money for promotion than last fiscal year, is pushing for American, British and Canadian branch plants, and "hopes to get several," while helping local industry to establish or expand.

Toward utilization of the province's great timber stands, it is helping entry or expansion of industries based on wood as a raw material.

* * *

Quebec

Trade & Commerce dept., of which Louis Coderre is working chief as deputy minister, maintains offices and wide contacts abroad, in United States and Canada to assist incoming and established industry. The department's several divisions—and co-operating bureaus of the provincial government—are pushing an industrial development program similar to that of Ontario.

And it's considering setting up new offices in London and Paris. The promotional budget, at about $1.5 millions, is up 15% from the 1948 fiscal year; is expected to jump another 25% for the year ahead. Hope is to hold the present rate of branch plant entry, somewhat down from 1948, through 1950.

* * *

Ontario

Trade & Industry, branch of the 4½-year-old Planning & Development dept., has settled down to a clear-cut pattern of promotion in policy, program, budget and methods. Its efforts are credited with adding at least three or four good companies a year to the Ontario economy and to tax income, besides the ones that come in unaided.

Services of field representatives are available to advise municipalities on formation of an industrial committee and on preliminary planning of expansion campaigns.

The organization, where possible, helps find additional lines for manufacturers with surplus capacity; publishes information bulletins on outside manufacturers interested in entering the Ontario or Canadian market via manufacturing arrangement with an established firm. For small industries, the Department has sponsored technical information and field engineering services free by arrangement with Ontario Research Foundation's industrial research services dept. Its facilities are available to improve present products, develop new ones, solve other technical problems.

Trade & Industry branch, in co-operation with Ontario Bureau of Statistics, is building up-to-date statistical files on all Ontario municipalities. British contacts are established through Ontario House in London, the banks and railways. U. S. contacts are developed directly via U. S. banks and railways, or indirectly via Ottawa's Industrial Development Division and Trade Commissioner Service.

* * *

Manitoba

Industry & Commerce—a 2½-year-old department of government, with industrial development, and travel and publicity bureaus—reports more manufacturers surveying plant locations than ever before. Minister J. S. McDiarmid and Director R. E. Grose, just back from a branch plant trip to Britain, report prospects bright for several in the early 1950's.

The department offers broad services to industry, small business and tourist development.

Its 3-point program:

1. Furnish basic data on resources, facilities, production, sales, buying power, markets and potentials; special aid for small new business enterprise.
2. Bring to the attention of outside industrialists how Manitoba might figure in their plans for expansion.
3. Bring together Manitoba manufacturers with surplus capacity and outside firms seeking manufacturing facilities by contract or license production.

* * *

Saskatchewan

The Government is co-ordinating and expanding its work for development of industry and trade, private as well as state-owned. Plant developments by Prairie Salt, Husky Oil, Hudson Bay Mining and Hamjea Plywood indicate increasing interest in this province's oil and industrial potential.

Here are the six government agencies in industry and trade development work: Provincial Research Council, Industrial Development Branch of the Dept. of Natural Resources, Trade Services and Traffic divisions of Dept. of Co-operatives, Government Finance Office for loans to small industry, and office of the Agent General for Saskatchewan in Britain.

* * *

Alberta

Industrial promotion is a combined effort of the Dept. of Industries & Labor (formed 1934 as Dept. of Trade & Industry) and Dept. of Economic Affairs, R. R. Moore, deputy minister, with a development division (the former Industrial Development Board of 1945) headed by W. H. Thomson. Technical assistance is from the 28-year-old Alberta Research Council.

Unique factor is the two-year-old Alberta Industrial Corp., which works something like Canada's Industrial Development Bank and is believed the only provincial corporation of its kind. Industries & Labor helps industry find raw materials and markets, advertises the province's resources.

Alberta House in London is the clearing point for British industry planning branch expansion in Alberta and for the emigration of technical and other personnel. The outlook for new branch plants from Britain, United States and Europe is said excellent. Oil developments have been a major factor in encouraging general progress.

* * *

British Columbia

The outlook for branch plants from outside and for expansion by industry already in the province "encourages optimism." The industrial promotion budget is both higher and more profitable than before the war, about the same as last year.

The Dept. of Trade & Industry headed by Minister Leslie H. Eyres and Deputy E. G. Rowebottom, promotes industrial expansion and foreign trade; collects and publishes local information to aid industrial location, as well as general statistics; studies economic and industrial development trends. Its four main divisions: Office of Trade Commissioner (1945), Bureau of Economics & Statistics, B. C. Government Travel Bureau, Regional Development Division (new).

The 4½-year-old Office of Trade Commissioner which replaced the former Bureau of Industrial & Trade Extension, functions mainly in expansion of foreign and domestic markets, actively co-operates with overseas trade commissioners and visiting foreign representatives, undertakes surveys for new industry, plant expansion, branch factory establishment and license manufacture here and abroad.

G. D. MALLORY since 1946 has been director of Trade & Commerce Dept.'s industrial development division, Ottawa. He's chief Federal delegate to Canada's first interprovincial conference on industrial growth. Ontario-born, he graduated in science 1920 from Queen's with chemistry and metallurgy honors, joined Trade & Commerce 1931 and in 1933 became chief of its metals and chemicals section. Twice a gas casualty 1916-19 with Queen's University Battalion overseas, Mallory was with Aluminum of Canada and British American Nickel before joining the Federal civil service, first with the Natural Resources intelligence service, then as a research engineer in the National Development Bureau

What Will U. S. Do About These Tariff Barriers?

By KENNETH WILSON

Spreading round the world today is a mischievous half-truth: the erroneous and misleading idea that the United States is no longer a high-tariff country.

At the recent Washington talks this fallacy was faced head on in some of the private discussions. As a result the conference got an official administration commitment that "high tariffs were clearly inconsistent with the position of creditor countries."

But there's little evidence that this pious hope is presently echoed in the U. S. Congress. Nor does the temper and wording of press comment recognize the restrictive nature of the U. S. tariff, as it presently exists in areas which haven't yet felt the softening influence of the Hull program of the past 15 years.

Just the day the Washington conference opened, a bitter editorial appeared in a local paper boasting that the U. S. was now a low-tariff country and that no one should be hoodwinked by any British propaganda to the contrary.

The figure that is being given worldwide circulation in defense of U. S. tariff virtue is a recent study of the U. S. Tariff Commission.

This study shows that the average duty on dutiable imports into the United States was 27% between 1913 and 1922 and that under the Smoot-Hawley tariff of 1930 it was 53%.

By 1947, under the beneficial influence of the Geneva agreements, plus earlier reductions under the Reciprocal Trade Agreements Act, the rate, according to this study, had been cut to 15%. (This reduction was graphically shown in a Financial Post chart last week.)

These are the figures on "dutiable" imports only.

The same study shows that on all imports (both free and dutiable) the average U. S. rates were 9% between 1913 and 1922; rose to 18% under the Smoot-Hawley tariff and have now dropped to 6% under the Hull program of 1934-47 which culminated in the Geneva conference.

Let's admit that traders all over the world have benefited from the U. S. tariff modifications which have resulted in these quite startling percentage figures.

But what these percentages overlook is the number and importance of items which bear a prohibitive tariff rate and which therefore do not enter into foreign trade at all.

Obviously if United States shuts off imports of watches, toys, cotton textiles and so forth, there is no chance of the tariff rates on these items being included in the above calculations.

Also, the fact that United States encourages free entry of several items like newsprint (which it requires in huge quantities as a necessary "raw material") means that the high rates on even those items which enter into trade in small quantities are diluted.

The list below is taken from "Summaries of Tariff Information," published by the U. S. Tariff Commission. It covers a great variety of goods important in world commerce but where the U. S. rate is still so high as to make importation almost prohibitive.

One proviso should be made regarding this list.

It does not take into account any changes which may have been agreed to by U. S. negotiators at the recent Annecy tariff conference. These Annecy rates are still secret. Therefore if the U. S. has reduced its rates at Annecy, this would lower the figures shown in the final column.

Another important comment about U. S. tariff rates is that they still include a considerable number of specific rates—so many cents on the pound, or dozen.

In times of high prices such as the present these specific rates are automatically diluted.

Thus U. S. tariff experts have estimated that the average incidence of the U. S. tariff over the past 15 years has been as much affected in prices as it has been by negotiations under trade agreements.

These specific rates would again become effective tariff barriers if prices were to fall.

The list, which contains a number of items of considerable importance to Canada, follows:

HERE ARE EXAMPLES OF PROHIBITIVE DUTIES IMPOSED BY U. S.

	Rate of Duty, Jan. 1, 1948.	Ad Valorem equivalent of '48 rate on import values in 1946 %
Synthetic Phenol resins	7c. lb. and 45% ad val.†	78.9
Plastic prod. of cellulose compounds (except cellulose acetate)	60% ad val.	60.0
Cellophane	45% ad val.	45.0
Prod. of Casein compounds	20c lb. and 25% ad val.	59.4
Crude barytes	$3.50 a ton	48.3
Refined barytes	$7.50 a ton	71.0
Red lead	1⅞c. lb.	52.9
Chinaware, Hotelware (less than 25% bone)	70% ad val. and 10c. doz. pcs.	70.0
Chemical porcelain	60% or 70% ad val.	60 or 70
Optical glass	50% ad val.	50
Optical instruments	45% or 60% ad val.	45 or 60
Dressed limestone, sandstone	50% ad val.	50
Tungsten metal	42c. lb. and 25% ad val.	49.1
Ball and Roller bearings	8c. lb. and 35% ad val.	40.8
Small anvils	45% ad val.	45.0
Food grinding & cutting machines	40% ad val.	40.0
Electric flatirons	40% ad val.	40.0
Carbon steel tools for cutting metals	50% ad val.	50.0
Razors, valued at $4 or more per doz.	45c. ea. and 30% ad val.	57.5
Surgical instruments (chiefly glass)	70% ad val.	70.0
Surgical instruments (chiefly metal)	55% ad val.	55
Pliers, valued at over $2 a doz.	80c. doz. and 40% ad val.	49
Revolvers	various	84 to 134
Clock and clock movements	various	60 to 156
Metallic magnesium	20c. lb.	83.8
Mechanics' hand tools	45% ad val.	45
Douglas fir plywood	40% ad val.	40
Venetian blinds	50% ad val.	50
Wheat flour (annual quota 4,000,000 lbs.)	52c. per 100 lb.	—
Cotton hosiery made in knitting machines	50% ad val.	50
Rag rugs, cotton	75% ad val.	75
Cotton manufactures, not specified	40% ad val.	40
Woolen & worsted fabrics	various	36 to 55*
Woolen blankets	various	27 to 110
Wool knit underwear (not more than $1.75 lb.)	30c. lb. and 20% ad val.	43.5
Wool knit outerwear	various	23 to 67
Wool felt hats	various	32 to 59
Rayon woven fabrics, valued not more than $4 lb.	27½c. lb. and 45% ad val.	56.3
Rayon knit fabrics	27½c. lb. and 30% ad val.	39.4
Rayon & other synthetic textile hosiery	27½c. lb. and 35% ad val.	45.8
Rayon knit underwear (more than $1.75 lb.)	27½c. lb. and 30% ad val.	41.2
Parchment paper, supercalendered	3c. lb and 15% ad val.	45.5
Dolls of cellulose compounds (with movable parts)	1c. ea. and 60% ad val.	62
Mechanical toys	70% ad val.	70
Abrasives with dutiable alloys	60% ad val.	60
Cigarette lighters (not above $5 doz.)	110% ad val.	110
Cigarette lighters (above $5 doz.)	55% ad val.	55
Jewelry	55% ad val.	55
Lace window curtains (except cotton)	90% ad val.	90
Embroidered cotton wearing apparel	60% ad val.	60
Embroidered wool gloves	70% ad val.	70
Embroidered wearing apparel (wool, silk, rayon)	50% ad val.	50
Embroidered fabrics (vegetable fibre), etc.	70% ad val.	70
Women's leather gloves	various	35 to 58
Men's leather gloves	various	26 to 59
Laminated plastic rods, tubes, blocks, strips having synthetic-resin binder	25c. lb. and 20% ad val.	76.8
Manufactures of laminated plastic having synthetic-resin binder	50c. lb. and 40% ad val.	72
Pianos and organs	40% ad val.	40.0
Mechanical pencils	45c. gross and 40% ad val.	44.9

* Weighted average 37.0%.
† On American selling price.

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Lily Cups Ltd.

Million Paper Cups Every Day

They Started With One Machine—Then Made Their Markets

They started with $10,000, one machine. Sales ideas have built it up into a still-growing $500,000 manufacturing and merchandising firm. The Post reports on an eight-year-old Canadian business.

By W. L. DACK

When tall, youthful, company head "Bob" Kobrick waves a paper cup in his hand and makes the well-known sales challenge, "Every building on every street in the Dominion is a prospect for some of our products," he's in dead earnest.

Paper cups and containers have become big business in Canada and growing with it has been the manufacturing firm of Lily Cups Ltd. Every year has seen a sharp rise and now with addition of new lines and expanded facilities sales are running well over 20 times early years' operations.

Average age of the four top executives is only 35 and that has a considerable bearing on the buoyant sales pattern of Lily Cups. Among them they've supplied so much drive and enthusiasm that the young firm has far outgrown present plant capacity. Early in the new year they move into a new factory on the Scarboro side of Toronto which represents an investment in plant and equipment of over $500,000. Daily capacity will be far over one million paper cups—more than enough to supply the total demand of the Canadian National Exhibition on its peak attendance day.

This is a far cry from first operations in this country started eight years ago under the firm name Universal Paper Products Co. (Canada) Ltd. At that time total investment in the business was $10,000 representing one employee operating one machine in a corner of the terminal warehouse building in Toronto.

The Men Behind It

Henry Robert "Bob" Kobrick is vice-president and general manager in charge of Canadian operations.

Kobrick has acquired a remarkably Canadian viewpoint in his three years sojourn in this country. He firmly believes that Canadian industry will show a much greater expansion per population than that in the U. S. over the next decade. As for his own industry, that trend is showing now. He is an M.A. in economics from Pennsylvania State University and was with the U. S. War Production Board in Washington during the war, before joining the Lily-Tulip organization in New York in 1944.

Bob Kobrick gives much of the credit for the strong position of his company today to his three key men—to Albert Davidson, the efficient, quiet-spoken, young secretary-treasurer and to the two Finlay brothers, Wendell, the purchasing agent and "Russ," the plant manager. Davidson entered the firm as accountant in 1946 after a four year stint with the Canadian army. In September of last year he was appointed to his present position. "Al" can quote company statistics by the yard and is now up to his ears in the latest expansion plans of the company.

Wendell Finlay, the purchasing agent, is a graduate of Detroit Institute of Technology in mechanical engineering. He came to the company in 1946 from Neon Products of Western Canada, Vancouver. Brother "Russ" is a graduate electrical engineer from University of Toronto and managed the case division of the Montreal branch of Dominion Industries Ltd., Small arms ammunition plant. The two brothers with their extensive engineering backgrounds have contributed greatly to solving many of the difficult raw materials and production problems that has faced the organization.

Though Lily-Tulip Cup Corp. —biggest U. S. manufacturers in the business—bought out Universal in 1944 along with all its branches, the Canadian subsidiary continues to operate as an independent unit. All policy making is done at Toronto head-office and all earnings since inception have been retained in this country for further expansion.

Business Still Growing

"Ours is one of the fastest-growing branches of the paper industry today," Kobrick claims. Up to 10 or 12 years ago paper cups were limited largely to water service in trains and offices. Total sales of the industry wouldn't run over $500,000 annually. But today constantly expanding sales outlets, ranging all the way from roadside stands to hospitals have combined to push annual sales up into the several million dollar bracket.

When Kobrick talks about the future of the business he becomes as enthusiastic as a schoolboy. He'll yank open the salesman's kit that's never very far from his elbows and emphasize his points with a paper drinking cup.

"We're creating new services which in many instances would not have been possible otherwise," he'll say. He lists roadside stands where sanitary washing facilities are not feasible, use of paper cups and food containers in industrial plants for between-meal feeding, or feeding on the job where cafeteria facilities are not provided, use in contagious wards of hospitals where cups and containers can be easily disposed of, in serving beverages and food in aircraft where weight is a factor, serving of beverages in stadiums and skating rinks where bottles have been prohibited.

But it hasn't been all clear sailing, he'll admit. The half dozen firms that comprise the Canadian industry have had a tough lot of sales barriers to break down. It has taken a continuing program of customer education and sales promotion to put the obvious advantages of their products to work. Many of the industrial plants, restaurants and even hospitals that today laud the sanitary and economy advantages of their products were too fearful of employee, customer or patient reaction to make the change until others had started the ball rolling. In the case of Lily Cups part of the promotional campaign takes the form of a direct mail program directed to a group of ultimate users followed up by personal contacts.

Get Canadian Paper

One of the big production headaches in the early years was supply of suitable paper from Canadian sources. When Lily Cups' forerunner started operations in 1941 there were only two or three paper companies in the country producing the types of paper that could be used in manufacture of paper cups and containers. This created numerous production hold-ups for the new firm. But through active co-operation with other paper mills improvements were made and more companies interested in going into the specialized field. Today some half dozen paper firms supply the requirements of the cup and container industry.

Now, competition is getting tougher. Better products are being brought out and new markets have had to be developed. The art of selling is taking on new importance. But a well-trained, enthusiastic Lily Cups' sales force is revelling in the heavier going.

One of Kobrick's chief contributions to the firm has been in the field of sales direction. He had headed the sales training and research department of the parent organization in the U. S. before coming to Canada. Incidentally Kobrick makes generous use of sound-slide films in his training program.

He soon set up a nationwide selective distribution. Under this set-up several specialized distributors are appointed for each area. For example, one wholesaler might specialize in the soda fountain or restaurant market because of his knowledge and experience in those fields, another might look after the dairy end of the business. Kobrick believes — and results have proven it to wholesalers as well—that much better results and wider market coverage is obtained than under a system of either exclusive franchise or single wholesale appointment. Though distributors are required to purchase certain minimum quantities of goods from the firm and reach a certain annual volume, a small force of top-notch company salesmen constantly on the road providing new sales twists and co-operation make it easy for the distributors to meet their requirements.

Develop New Products

Back in 1941, Universal Paper Products only turned out one product—a cone-shaped water cup. Early in 1945 expansion plans were drawn up and it was decided to go into the soda fountain market with the larger size cone-shaped cups for use with sodas and sundaes. A factory building offering approximately 30,000 sq. ft. floor space was secured in Listowel, Ont. and new machinery was installed to handle the expanded operations.

Sales, earnings started to grow with the new products. By the later part of 1946 a complete line of portion cups or "souffles" (what marmalade, butter, vegetables, etc., are served in in many restaurants) were offered for the first time. Twelve different sizes were marketed ranging from ½ oz. to 5½ oz. size and at the same time production of flat-bottomed water cups was started. The company was now on a firm foundation with varied lines and expanding sales volume.

In July last year machinery was installed to produce an entirely new line of products—plastic-coated, two-piece, flat-bottomed hot and cold beverage cups. For the first time anywhere in the world these cups were introduced into Canada. The new product eliminates any possibility of any taste being imparted to the beverage by the container. Since marketing, demand for the new line has far outstripped plant capacity.

Once the new plant gets going additional capacity for the popular plastic-coated lines will be added and the company will gradually swing into production on its line of food containers. It's the intention to produce in Canada the complete lines of products which have made the parent company the largest producer in its field in the world.

A novel feature of the new plant is its entrance which is in the form of a huge 32 ft. replica of a paper cup. This not only provides advertising value but also becomes a plant identification symbol for all future company plants. The new factory provides 35,000 sq. ft. of floor space and the back wall is so constructed as to readily allow further expansion.

H. R. KOBRICK
Vice-pres., general manager

ALBERT DAVIDSON
Secretary-treasurer

RUSSELL FINLAY
Plant manager

WENDELL FINLAY
Purchasing agent

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FP-37

Wood, Gundy & Co. To Repeat Invest. Course for Women

As a result of enthusiastic response to its investment course for women of Toronto, Wood, Gundy & Co. will hold a second series entitled "This Business of Investing."

To accommodate those unable to attend the spring lectures, held in the afternoon, the new course is being held at 8.15 p.m. on Sept. 27 and Oct. 4 at the Royal Ontario Museum.

Miss H. W. Cleveland, head of the company's woman's department for many years, is directing the course. Lectures will be given by Dr. Alice W. Turner, Ph.D., economist; H. J. D. Vandewater, a senior salesman, E. H. Ely, sales manager and Miss Cleveland.

The course is intended to explain some of the features of bonds and stocks, the method of buying and selling securities, how to interpret a balance sheet and the planning of investments for safety of funds invested and regular income.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HAHN BRASS CO. net profit for the year ended June 30, 1949, was up 53.3%. Working capital showed an improvement at $427,286 ($322,019).

INCOME ACCOUNT

Years Ended June 30:	1949	1948
Net earnings ....§	$183,528	$134,662
Less: Taxes	71,799	58,509
Net profit	116,729	76,153
Less: Pref. divds.	18,000	15,000
Common	20,000	15,000
Surplus for year	78,729	46,153
Earnings per Share and Dividend Record:		
Pf. (before partic.)	$7.78	$5.08
Pref. (after partic.)	3.17	2.15
Paid	1.00+0.20	1.00
Com. (before partic.)	4.07	2.45
Com. (after partic.)	2.77	1.75
Paid	0.60+0.20	0.60

CONDENSED BALANCE SHEET

As at June 30:	1949	1948
Cash & mkt. secs. ...	$389,231	$324,088
Accts., etc., rec.	56,297	36,468
Inventory	74,367	62,253
Total curr. assets ..	519,895	422,809
Pref. exp. & def. rev.†	5,555	5,522
Misc. assets‡	9,229	30,243
Fixed assets§	191,795	196,166
Total assets	726,474	654,740
Accts. & taxes pay. ..	77,600	85,790
Divs. pay.	15,000	15,000
Total curr. liab.	92,600	100,790
Capital stock	15,000	15,000
Capital surplus	144,917	144,917
Earned surplus	473,948	394,033
‡Incl. ref. EPT	9,229	29,593
§After deprec. of ...	38,496	30,740
†Incl. in curr. assets in co's report.		
Working capital	427,286	322,019

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Annuity Paid For Stock Held Taxable As Income

Under Terms of Sale, Purchaser Paid Vendor Annuity for Assets—Minister's Execution of Rights Held Up Pending Appeal of Assessment

Judgments have recently been handed down in four appeals under the Income War Tax Act, two of which were to the Income Tax Appeal Board, and two to the Exchequer Court.

In the Exchequer Court case of James E. Wilder vs. The Minister of National Revenue, the facts were that the appellant, in February 1932, had sold practically all his assets to a limited company for a consideration of $1 and various covenants by the company. The company among other things agreed to pay him an annuity during his lifetime of $1,000 a month. These payments were assessed as income to the appellant in the years 1941, 1942 and 1943, the statutory authority being clause (b) of section 3 of the Act as amended in 1940, including as income "Annuities or other annual payments received under the provisions of any contract."

The appellant first argued that he was not in receipt of an annuity but Mr. Justice Thorson found against him on this point. He then argued that he was entitled to an exemption of $5,000 per annum by virtue of certain provisions of the Act which exempted income "derived from annuity contracts with the Dominion or Provincial Governments or any company . . . effecting like annuity contracts." It was held that the appellant's contract in the present case was not such a contract as attracted the exemption provided by the statute.

The rigour of the law was tempered in 1945 by an amendment which relieved the capital element of annuity payments from income tax.

Appeal From Judgment

In the second Exchequer Court case, which was also decided by Mr. Justice Thorson, the taxpayer J. J. Morch sought to set aside a judgment which the Minister had obtained under the certificate procedure provided by section 71 of the Income War Tax Act and a writ of execution which had been issued thereunder. The Minister's claim was for tax in respect of the years 1942 to 1945. The Notice of Assessment with respect to those years was mailed to the taxpayer on September 1, 1948 and on the same date, the Minister filed his certificate in court and issued the writ of execution. The taxpayer appealed within the statutory period and argued that the Minister was prevented by law from taking any proceedings to recover taxes pending the disposition of the appeals.

The judgment deals with this argument very fully and holds that it is not valid. It was pointed out that there might be circumstances under which the taxpayer would use the device of an appeal as a means to defeat recovery of the tax and that in the absence of specific words in the statute, there should be no restrictions on the power of the Minister to protect his interests notwithstanding that an appeal had been taken. At the same time, the Court ordered that, pending the disposition of the appeals, the Minister was not to take sale proceedings under the writ of execution or any other steps that would completely alter the taxpayer's position, in case he should be successful in his appeals.

Income and Taxable Income

The Tax Appeal Board case of Gilbert Currie vs. The Minister deals with the distinction between income and taxable income. The appellant was allowed exemption only as a single man in the year 1946 for the reason that his wife had been in receipt of investment income during that year in excess of $660. The income which the wife received was a part XVIII or, as it is sometimes called an Ives Commission dividend, from the undistributed surplus of a private company in which all taxes due have been paid previously and of which she was a shareholder, in the amount of some $1,700. Although this receipt was not taxable income in her hands, it was nevertheless income for other purposes of the Act and in particular under the rules determining the exemption to which the husband was entitled. His appeal from an assessment as a single man was dismissed.

Power of Appeal Board

The second Tax Appeal Board case had to do with the appeal of G. W. Morley, who objected to the refusal of the Minister to allow certain deductions which he had claimed from his income in 1946. Among these deductions was an amount of $19 membership fee in the County Judges Association and a library fee paid to the local Law Association. The Board unanimously held that these were not allowable deductions from income.

In the course of the judgments, it was also held that a claim against the Dominion Government, arising in connection with another matter could not be set off against income tax otherwise payable.

The following quotation from the judgment of Mr. Commissioner Fisher is of general interest in connection with the activities of the Board.

"Judging from the representations made to the Board by appellants, and more especially lawyers, it seems that there is a complete misapprehension of the functions and powers of the Income Tax Appeal Board. The idea seems to exist that this Board has power to alter the law as enacted by Parliament or enact new laws by granting requests which may seem reasonable or equitable. Even a little thought would show how dangerous such a situation would be and how foreign it is to the principles of a democracy where the responsibility for enacting the laws of the country is placed on the duly elected representatives in Parliament who are responsible to the electorate. This Board is bound by the provisions of the law as enacted by Parliament, and in dealing with appeals coming before it, it must apply these laws according to what it believes the correct interpretation of the law may be."

—Photo by Karsh

ROBERT F. CHISHOLM

has been appointed a director of R. L. Crain Ltd., Ottawa. He is vice-president and general sales manager of Gordon Mackay & Co., Toronto.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Porto Rico Power

Will you please tell me what the total distribution has been so far to the preferred shareholders of Porto Rico Power Co. following liquidation.

We understand total distribution made thus far to preferred shareholders of Porto Rico Power Co. has amounted to $170 per share.

Of this amount, $100 was paid in 1944, a further $50 two years later and $20 since that time. There is still some money to be distributed, but it is not known when the distribution will be made or how much money it will involve. We understand that it may be somewhere between $5 and $10 per share.

Simpson's "A"

Please give me some information on Simpsons, Ltd. Class A stock.

Simpsons, Ltd. Class A shares are currently quoted about $24½ a share where they would yield about 8.17% on the basis of an indicated $2 annual dividend rate.

An initial dividend of 50c a share on the Class A stock was paid Feb. 25, 1946; 50c was paid Aug. 26, 1946; 75c was paid Feb. 25 and Aug. 25, 1947 and 1948 and $1 was paid March 15, and Sept. 15, 1949.

The Class A shares carry one vote per share and rank pari-passu with Class B shares except for dividend provisions. Subject to the prior rights of the preference shares, Class A shares are preferred as to non-cumulative dividends up to $1 a share a year over the Class B shares. After such dividend has been paid or declared and set aside and a dividend of $1 a share has been paid or declared and set aside on the Class B shares any further dividend that may be declared in that year shall be declared equally share for share on Class A and Class B shares.

Earnings of Simpsons Ltd. have shown an upward trend in recent years and show good coverage for the Class A dividends. Earnings on the combined Class A and Class B stock were equivalent to $5.24 a share for the fiscal year ended Jan. 5, 1949, to $4.52 a share in year ended Jan. 7, 1948, to $4.38 a share in year ended Jan. 8, 1947 and to $2.44 a share in year ended Jan. 2, 1946.

Capitalization outstanding as at Aug. 15, 1949 consisted of $10 millions secured term notes due 1950 to 1956, $12,900,000 3½% first mortgage bonds due Aug. 15, 1950 to 1960, 150,000 shares of 4½% cumulative preferred stock par $100, 360,000 shares of Class A no par value stock and 360,000 shares of Class B no par value stock.

Capewell Petroleum

Please advise me as to the development of Capewell Petroleum Corp.

Capewell Petroleum Corp. Ltd. was incorporated in January, 1949, with an authorized capital of 3,500,000 shares $1 par. Of these shares, 1,180,005 have been issued with 990,000 held in escrow.

The property acquired by the company consists of eight quarter-sections comprising 1,280 acres east of Wainwright in Alberta. In May, 1949, it also acquired the right to participate in the development of property in the Dulwich area of the Lloydminster field of Saskatchewan, agreeing to provide 17½% of the cost of drilling and equipping for production the first well, with the right to contribute the same amount toward succeeding wells.

At latest report one well had been placed in production in the Dulwich area and the No. 2 well was being drilled.

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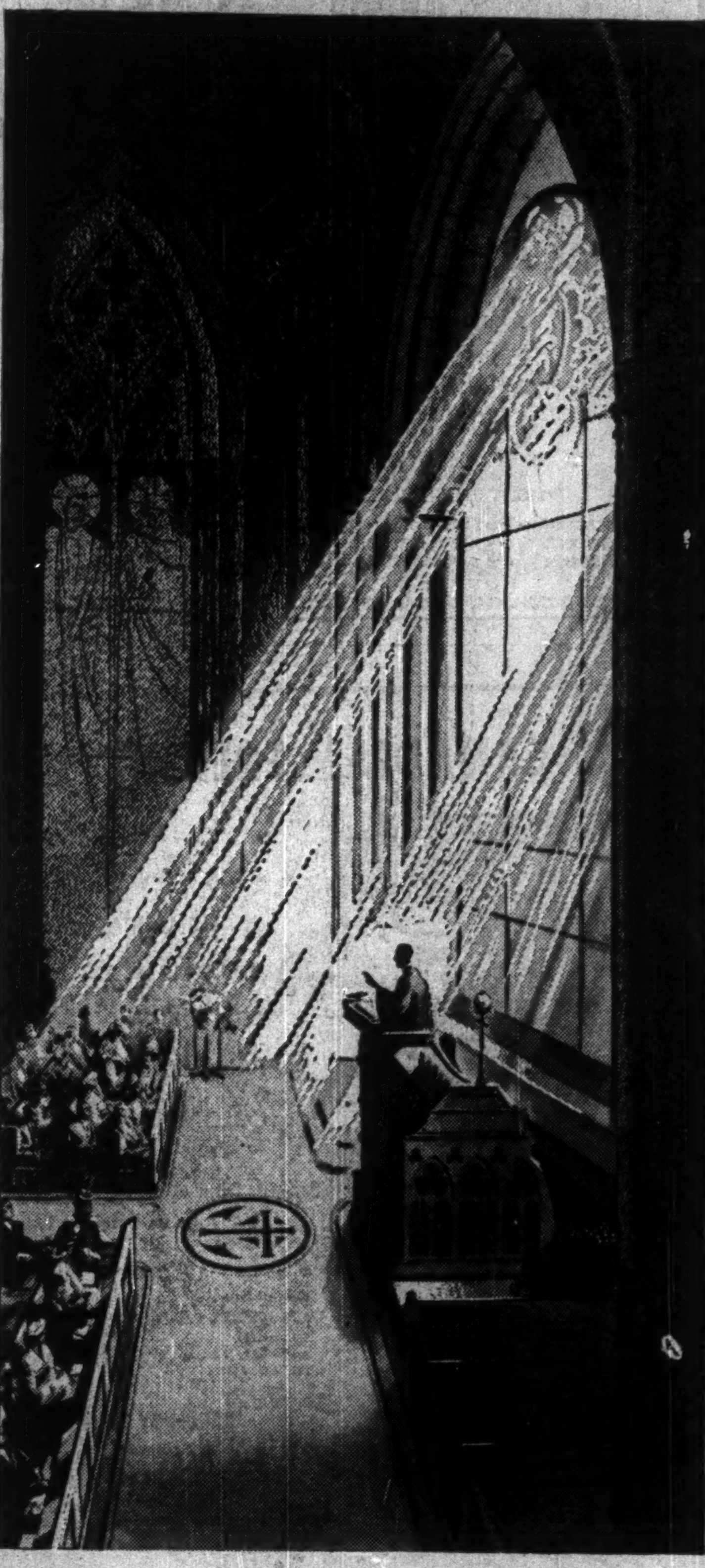

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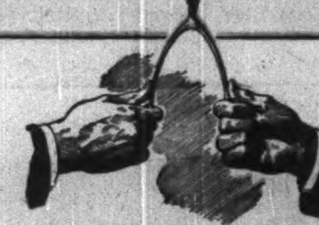

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Insurance Men Discuss Licensing Regulations

Does Responsibility For Agent's Conduct of His Business Belong to Company or Superintendents? — Premiums Stated Trust Funds.

Whose responsibility is it to see that insurance agents, both life and other than life, do their job properly? Is it a matter for the companies or the superintendents?

This was a topic of considerable discussion at the conference of the provincial superintendents of insurance at St. Andrews.

The superintendents in some cases claimed that life insurance companies were not adhering to the standards for recommending agents for license. Representatives of the life companies claimed that such cases, if they existed, must be isolated and it was indicated that if they knew of such cases definitely, the companies as a group would take steps to correct them.

Georges La France, superintendent for Quebec province, claimed that some companies, both life and other than life, liked to use the superintendents to cancel agents' licenses. They preferred to let the superintendents carry the odium of cancelling a license rather than do it themselves. He objected to this but indicated that the insurance departments should cancel the license of an agent whose business showed a poor persistency.

Some agency representatives objected to the superintendents exercising too much authority in the field of agency licenses. They claimed that contrary to certain suggestions an agent, if of satisfactory character otherwise, should be allowed to write life insurance, even if his production was small. It was not the function of the provincial insurance departments to check on an agent's production they declared.

A Company Matter

Glen J. Spahn, vice-president in charge of the Canadian operations of Metropolitan Life Insurance Co., believed that the matter of licensing of agents was largely one for the companies themselves. Gordon Nairn, executive vice-president of the Life Underwriters Association of Canada suggested that the superintendents' job was to check the working of the agency regulations. Then if these revealed any weakness, the superintendents should throw the ball back to the companies to make the necessary adjustments.

Some objection was taken to granting both life and other than life insurance agents licenses to the same person.

After hearing the views of those present for and against, the superintendents took the matter under advisement.

Regarding fire and casualty agents, most of the discussion centred around the practice to be followed by agents regarding premiums they collect.

Agents Other Than Life

The report of the standing committee of the superintendents association regarding licensing and regulation of agents other than life said:

1. Your Committee is informed that during the last year, several complaints have been lodged with Insurance Departments against agents or brokers who have failed to remit within the required time the premiums they had collected, with the consequence that in a number of cases licenses were suspended for a period of time while others were revoked resulting in losses to the insurance companies and to the agents or brokers themselves. Your committee must envisage the possibility that next year, a greater number of agents will be delinquent in the payment of their accounts and would appreciate receiving suggestions from insurance companies or associations of agents or brokers concerning the steps that should be taken to prevent such a situation.

2. It appears to your Committee that it is the common practice of insurance companies to suggest, upon the death of a married agent, to the widow that she apply for a license even though she may not have the qualifications to act as an agent. Your Committee is of the opinion that there is no serious objection to the granting of a license to a widow in such a case to enable her to sell the agency of her late husband on the most favorable terms, but does not approve in the interest of the widow, as well as that of the public of the renewal of such a license, for the reason that very often the widow cannot keep the business and serve her clients properly.

3. In the principles governing the licensing of other than life insurance agents and salesmen, adopted in 1943, the words "controlled business" are being used. It has been brought to the attention of your committee that these words receive various interpretations and it is of the opinion that an attempt should be made to have those words more clearly defined.

Premiums as Trust Funds

W. C. Butler, chairman of the All-Canada Insurance Federation, said he believed the financial stability of the agents was of prime importance to the public and to the companies. He believed agents should be required to pay the money received as premiums into a special trust account and treat it as trust funds. Such a law, he declared, is in effect in some provinces and should be in all.

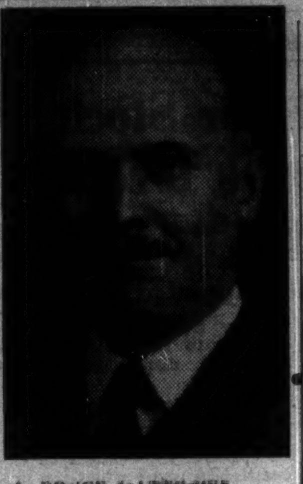
Some objection was taken to the idea of putting the premiums in a trust fund. It was claimed that this would mean a special trust account for each company handled by an agent, and a special account for each policyholder. Supporters of the trust fund idea said this was carrying the matter to an extreme. That the premiums could be treated as trust funds without so much detail. The suggestion will be considered further by the superintendents.

Licensing Agent's Widow

The clause regarding the issue of a license to a deceased agent's widow to give her time to sell the agency and clean up her husband's business met little opposition. Few widows retain the agency more than a year, but the fact that she has a license gives her a better opportunity to dispose of her husbands assets.

In an effort, better to define what is meant by controlled business, the case of an executor of an estate seeking a license so he could insure the assets in an estate under his control was used as an example. An officer of an industrial company charged with insuring the company's property was another example used.

Decisions of the superintendents regarding the ideas presented will be announced later.



A. BRUCE MATTHEWS

has been elected president of the Excelsior Life Insurance Co., succeeding his father, the late Hon. Albert Matthews

Short Interest Rises on T.S.E.

Semimonthly short position report of the Toronto Stock Exchange as of Aug. 31 shows the aggregate short positions, eliminating odd lots, on the books of member firms at 536,240 shares of 148 issues, compared with 522,389 shares of 148 issues on Aug. 15.

Largest net changes in individual mining stocks were:

Stock	Change	Stock	Change
Upper Can.	+36,000	Sherritt G.	+7,000
Norbenite	—24,300	Eldona	—6,000
Northland	+8,500	Bonetal	+6,000
Silanco	—7,700	Osisko	+4,700

Largest changes in industrials were:

Stock	Change	Stock	Change
Abitibi	+325	Imp. Oil	—280
Dom. Textile	—250		

Staff Changes

Imperial:

D. A. EDWARDS, formerly accountant, Saskatoon, to be manager, Ferintosh, Alta.

S. E. WORTS, formerly accountant, Banff, Alta., to be accountant, Saskatoon.

E. E. CHAMBERLIN, assistant manager, Calgary, to be manager of new branch to be opened at Broadway & Cambie Sts., Vancouver.

C. B. SINCLAIR, formerly accountant, Calgary, to be assistant manager, Calgary.

W. W. PEGG of the accountants department, Edmonton, to be accountant, Calgary.

P. R. FORSHAW, Vancouver, to be accountant at new branch at Broadway & Cambie Sts., Vancouver.

E. M. PEARCE, formerly of Edmonton branch, to be accountant, Banff, Alta.

J. M. G. FULLER, formerly of Fort St., Victoria, transferred to accountants department, Edmonton.

W. R. SIMPSON, assistant accountant, Woodstock, has been promoted to be accountant there.

* * *

Royal:

C. E. P. ROOKE, assistant manager, Toronto, to be manager, New Westminster, B.C.

D. A. HUETT, accountant, Russell, Man., to be manager, Miniota, Man.

M. B. MACDONNELL, Baldur, Man., to be accountant, Glenboro, Man.

A. J. D. BRIDGE, Minnedosa, Man., to be accountant, Grain Exchange, Winnipeg.

G. M. BURNETT, Toronto, to be accountant, Galt, Ont.

G. E. GOODMANSON, Glenboro, Man., to be accountant, Russell, Man.

J. C. V. VRADENBURGH, Miniota, Man., retires.

EL PEN-REY MINES has completed its first drill hole in present exploratory drilling to 1,520 ft. Some mineralization but no ore body was encountered. A second diamond drill hole is being drilled north of the diabase dyke and will carry to a similar depth as the first to obtain a further vertical cross section of the zone.

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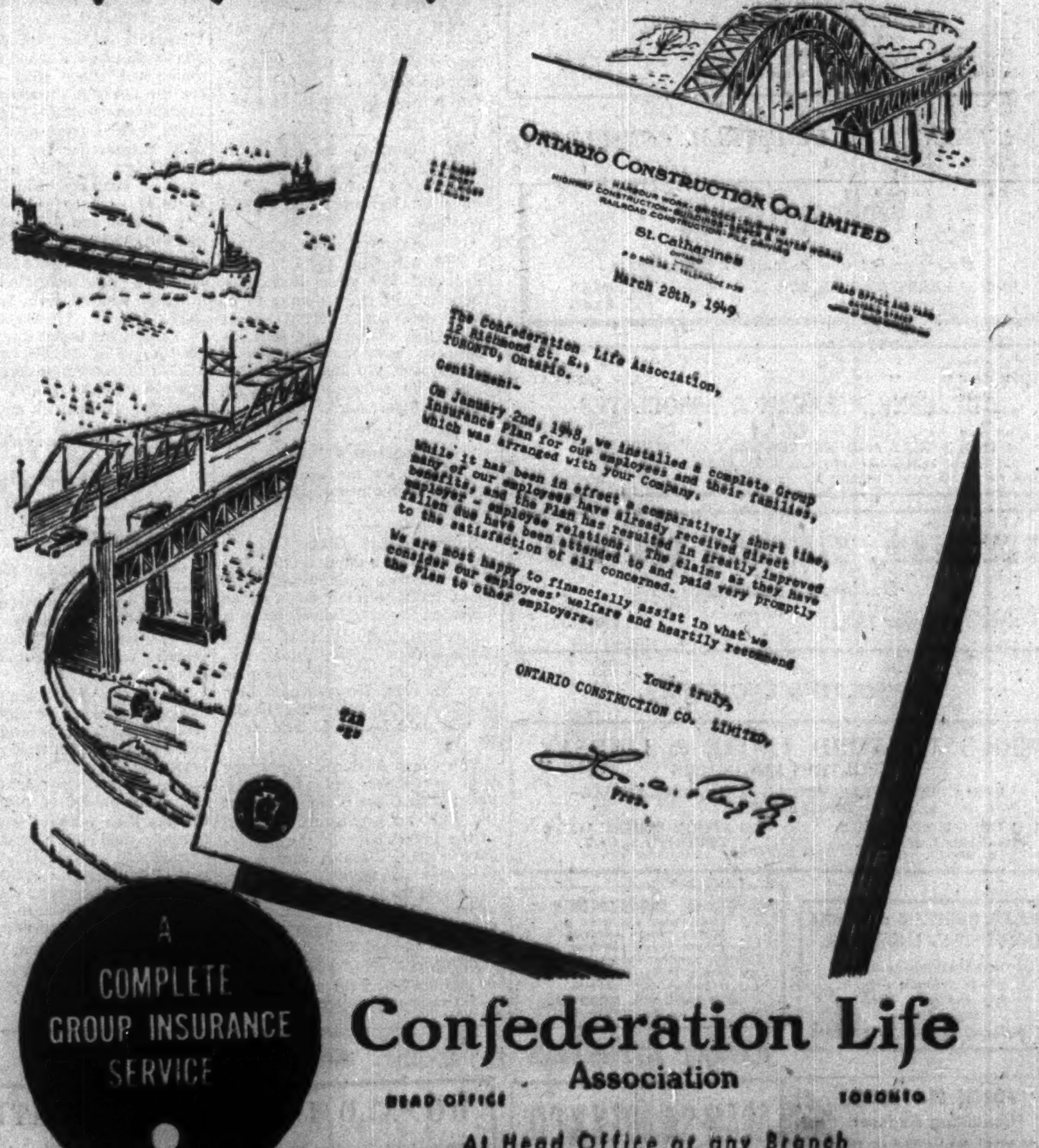

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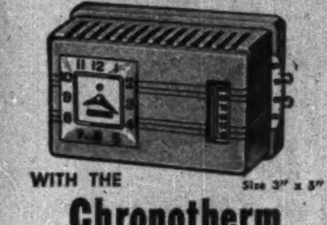

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Pros Exploit Youth?

The Question: Anglican Synod claims exploitation of schoolboys for allegedly amateur sport. What is your opinion?

The demands of sport should not be allowed to interfere with education, whether the sport be amateur or professional.

That's the opinion of the majority of those answering The Financial Post's question this week, but that appears to be the only point on which there is a degree of unanimity.

Some replies deny exploitation in their areas; others point to the desire of boys to take part in sports, and their willingness to accept money.

Referring specifically to hockey, around which much of the controversy centres, one reply states: "Hockey is big business and must have a stream of new recruits. It can be worked out successfully if the hockey leaders, the parents and the youngsters keep their heads and act with reason."

DON CARLSON, Sports editor, Vancouver Sun, Vancouver.

I have never yet met any schoolboy who thinks he is being exploited by amateur sports or if he did think so, I have never met one who complained about it.

The most vicious form of exploitation comes in so-called semiprofessional sports, which embraces most allegedly amateur sports. Here we find commercial sponsors using athletes for advertising purposes.

Here again, most athletes being so used are doing so voluntarily, and are usually not reluctant to accept the jobs or bonuses offered by such promoters.

Until the schoolboys themselves rebel, I cannot regard Synod's claim as anything more than a good debate topic.

* * *

GEORGE T. FULFORD, M.P., Vice-president and director, G. T. Fulford & Co., Brockville, Ont.

So-called exploitation of school boys for amateur sport has gone on for so long in this country that it is almost an accepted practice. I do not believe church actions can bring this deep-rooted system to an end, but I do feel amateur standing cards should not be issued to all and sundry.

* * *

C. G. M. GRIER, Headmaster, Bishop's College School, Lennoxville, Que.

Exploitation of school boys for pseudo-amateur sports, especially hockey, begins at the age of 16 or younger. Whether this is good or bad for the youth of the country is something for the general public to decide. Educationists hold very definite views, but have made little headway against promoters' commercial interests and subsidized press. Not the least of the evils resulting from the situation has been the almost prohibitive increase in the cost of athletic equipment to those who are content to remain as amateurs.

* * *

LT. COL. J. A. HEBB, Headmaster, King's College, Windsor, N.S.

Exploitation of boys was not prevalent in this area on my appointment in 1947. I made a public statement that it would not be tolerated at Kings. Boys here are denied privilege of representing school on teams if they show laxness in academic work.

We try to instil into boys that games primarily are for mental relaxation, physical exercise and development of manly qualities. Not, and I repeat, not for the benefit of spectators. Furthermore alleged malpractice involves deception, thus defeating the main purpose of sport and undermining moral teaching of church, home and school.

* * *

DR. ARTHUR S. LAMB, Director of athletics, McGill University, Montreal.

Educational authorities can cite numerous instances where schoolboys have been and are being exploited by promoters of professional sport. Schoolboys need instruction and guidance before sacrificing an education in favor of immediate cash returns.

Professional sport has its place and is an important phase of the entertainment business, but promoters would be well advised to subscribe to an agreement with parents and educational authorities whereby the long-range interests of the boy and incidentally, their own interests are safeguarded. Sport is either on an amateur or a professional basis. There is no such thing as semiprofessional sports.

* * *

LT.-COL. GEORGE C. MACHUM, Immediate Past President, Amateur Athletic Union of Canada, Montreal.

It is true that hockey in Canada has entered deeply into the lives of the schoolboys of our day. This is inevitable for the glamour of the game is great.

For the few exceptional players there is real opportunity, but the danger of the present practice of ear-marking young hockey players for future delivery to professional teams is that many of them get distorted views of their own importance and cannot concentrate on their scholastic requirements. Hockey is big business and must have a stream of new recruits. It can be worked out successfully if the hockey leaders, the parents and the youngsters will keep their heads and act with reason.

* * *

DON H. MURDOCH, Vice-president for Canada Kiwanis International, Winnipeg.

I do not think exploitation of schoolboys is prevalent in this area. Those interested in amateur sports are doing a good job under none too easy circumstances. The situation is one that requires earnest interest of our citizens. Amateur sport should be encouraged, but our first consideration must be the boy's education until he completes high school.

The most careful scrutiny should be made of means used to guard against exploitation. The future of the world depends on the quality of citizenship we develop in our youth today and it is our responsibility as citizens to see that our boys have the type of leadership that will develop character and self-reliance.

* * *

ROGER OUIMET, K.C., Former Crown Prosecutor, Montreal.

For some time it would seem that the word amateur has been used as an expression to cover professional sports in the so-called lower income brackets. This would explain why your question involved "allegedly" amateur sports.

However, in the Province of Quebec and even in the Montreal district, it does not seem that any exploitation of schoolboys exists on an appreciable scale and, if it does, it is certainly not in the French-speaking Catholic schools where sports are conducted for the benefit of the boys on a non-profit basis.

* * *

D. S. PENTON, Headmaster, Lower Canada College, Montreal.

I cannot give you a considered opinion at such short notice. The attraction of money earned in many sports today certainly tends to divert some boys from their school work, but I do not feel that publicity should be given to so many charges and countercharges. Some representative, impartial body should investigate the situation and find out just how much basis of factual fire there is to the vast quantities of smoke being blown about.

* * *

BRIGADIER W. M. REID, Secretary, A.A.U., Charlottetown.

Synod claim does not pertain to P.E.I. Our sport in this province definitely amateur as per A.A.U. of C. definition. I am not familiar personally with the conditions in other provinces, but our schoolboys are being helped rather than exploited.

* * *

ROBERT E. K. ROURKE, Headmaster, Pickering College, Newmarket.

As an educator, I am concerned about the attitudes created by games played at the high-school level. In my opinion, the needs of professional teams, both for man power and crowd appeal, have brought about a distortion of objectives. This results all too frequently in too many games and in the development of attitudes that violate the principles of good physical education. I know that parents are worried over young sons lured by the glamour of highly organized athletics into protracted schedules that make it impossible for them adequately to tackle their school responsibilities.

* * *

JOSEPH SEDGWICK, K.C., criminal lawyer, Toronto.

One should not comment on matters outside one's own knowledge and I have little information as to the present activities of schoolboys and less about amateur sport if there still is such a thing.

Somebody said years ago that sport ceases to be amateur as soon as you put a fence around it and so long as schoolboys participate in contests in enclosed arenas where people pay to see them perform, professionalism will creep in and in that professionalism, whether open or disguised, there will be exploitation of the athletes.

Sport on the school level should be a game and not a business and far too much attention is paid to it. We might re-establish amateur sport by ruling that only games and contests open to spectators free of charge are amateur and all others where admission is charged are professional. That, at least, would bring the nomenclature in line with the facts.

* * *

R. WRAY, YOUMANS, Director of Athletics, University of Manitoba, Winnipeg.

I do not think there is any great exploitation of schoolboys in Manitoba at present but I am concerned about the apparent trend.

Semi-pro and professional organizations do supply facilities, equipment and competent coaches which cannot be matched by purely amateur groups but which do have strong youth appeal.

Legitimate costs of organization, promotion and overhead must be recognized, but sports promoted for profit may lead to exploitation because of competition for player services.

I suggest athletics should be recognized as integral part of education, monies be found to provide adequate leadership and full advantage taken of educational opportunities offered in work with youth.

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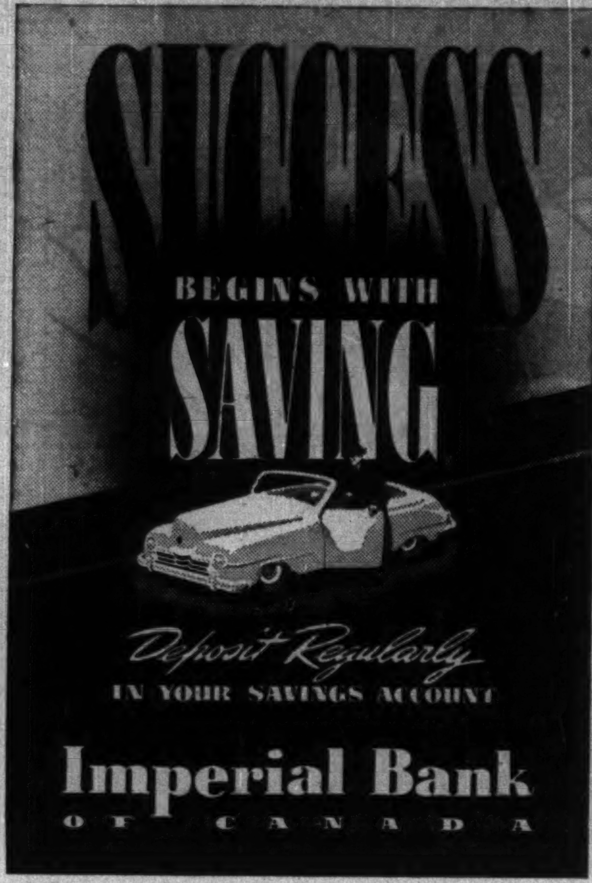

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World Bank Stresses Aid Given Development

Need to Expand Production and Thereby Raise Living Standards Declared Obvious — Problem Affects All Nations

Average income per head in the United States in 1947 was over $1,400; in another 14 countries between $400 and $900. In 25 other nations and most of the non-self-governing territories (containing together substantially over half the world's population) it was less, and sometimes much less than $100 per person, states the fourth annual report of the International Bank for Reconstruction and Development, for 1948-49.

This gap, says the report, indicates not only the urgency of raising standards of living in the underdeveloped countries, but also the great possibilities for doing so. Economic advances that have already been made in the more developed countries are a tangible demonstration of what can be achieved, if capital and modern techniques are applied to develop natural resources and increase labor productivity, the report adds. Here is a digest of the section of the report dealing with the role of the bank.

The attention given to economic development by the bank and other international organizations and national governments and in business and financial circles is one of the features of the year.

Need to expand production and thereby raise living standards is obvious. But the problem has direct and important implications for the more advanced nations as well. This is not only because poverty has created political and social tensions which if unrelieved may have serious and widespread consequences. But also because full employment and effective utilization of the resources of the more developed countries depend largely on a continually expanding world trade. Increased production in the underdeveloped areas is one of the principal means to this end.

U. S. Point IV

President Truman in his inaugural address announced that the United States intended to adopt as a fourth major point in foreign policy, a new program of assistance for the underdeveloped areas. This program which the president stated was to be carried out to the fullest extent practicable through international channels is popularly known as "Point IV."

The bank is interested in the program because to the extent to which the program succeeds in expanding the technical and financial resources available to the underdeveloped countries it will strengthen the bank in carrying out its development responsibilities. The bank's basic objectives in this field are essentially the same as those of the Point IV program.

Substantial technical and financial assistance has already been made available to underdeveloped countries and efforts along these lines are being intensified.

The bank is convinced that through its loans and efforts to stimulate the flow of capital from other sources, it can help substantially to speed the rate of development. But it is the amount of productive investment that takes place and not the mere availability of money that is important. Money is important but alone it is no solution.

The bank has learned how limited is the capacity of the underdeveloped countries to absorb capital quickly for really productive purposes.

Why It's Gradual

Factors which make development a gradual process are:

Low levels of education and health in most underdeveloped countries. Yet to improve health and educational standards is a laborious time-consuming process. Technical help in training teachers and doctors, establishing schools of different kinds and eradicating debilitating diseases are powerful factors in accelerating economic progress.

Frequent changes in government, inefficient public administration and lack of government determination to undertake long term and perhaps unpopular objectives.

Opposition of strong vested interests to any changes which might alter their position. This includes oppressive systems of land tenure, which often retards increase in agricultural output and improvement in general living conditions.

Limited domestic capital resources, due to low national income levels and inadeqate machinery and incentive for encouraging productive investment of any available savings.

Lack of well prepared and well planned projects.

Gap between concept of development potentialities and formulation of practical propositions designed for realization of those potentialities.

An organization must be created to carry out the project and competent management obtained. In a highly industrialized nation expansion of productive facilities is a painstaking, lengthy operation, in underdeveloped nations, even more so.

A number of requests have been received asking for technical assistance and asking the bank to make a survey of their development needs and a long term investment program. The bank has started to build up rosters of experts in the various fields.

Three Basic Criteria

Three basic criteria must be satisfied before the bank can grant a loan:

The loan cannot be obtained privately on reasonable terms and there must be reasonable prospects of repayment;

the loan must be for a sound and prospective purpose;

the object of the loan must be sufficiently important to warrant the country concerned incurring a foreign exchange liability to finance it.

In applying these criteria the bank realizes it must assume greater risks than private investors are able or willing to assume.

This policy necessitates an intensive, on-the-spot investigation of the whole situation.

Private capital is preferable in foreign development financing, despite many obstacles. Private capital, however, will not satisfy all requirements. The bank will take up the slack when ERP terminates.

Income of the bank in the year was $21.5 millions ($15.6 millions in 1947-48). Administrative expenses $4 millions, up about $20,000; interest on bonds $6.8 millions, ($6.2 millions); bond registration etc. $50,000 ($1.2 millions); gross expenses $10.9 millions ($11.5 millions); excess of income over expenses $10.6 millions ($4.1 millions). Chief liability item, is capital stock subscribed (less uncalled portion) $1,669,700,000; special reserves $8 millions; contingent liability $11.4 millions; bonds outstanding $253.9 millions.

Staff Changes

Chartered banks announce the following staff changes:

Montreal:

A. PATTERSON, inspctor, head office, to be manager, Wetaskiwin, Alta.

E. L. HODSON, manager, West Burnaby, New Westminster, to be manager, Chilliwack, B.C.

J. B. JONES, accountant, Brantford, to be assistant manager, Kingston, Ont.

F. R. G. FARRELL, assistant manager, Kingston, to be manager, Preston, Ont.

J. R. COLLIN, accountant, Verdun, to be manager, Cartier & Belanger Sts., Montreal.

B. G. FOREMAN, accountant, Renfrew, Ont., to be manager, Wellington St. & Holland Ave., Ottawa.

F. L. STEEVES, manager, Wellington St. & Holland Ave., Ottawa, to be manager, St. Lambert, Que.

L. A. L. DYSON, accountant, Fredericton, to be manager, Wolfville, N.S.

• • •

Commerce:

J. G. B. McDOUGALL, accountant, Goderich, Ont., to be manager, Blyth, Ont.

D. B. SLATTERY, accountant, New York, N.Y., to be an assistant manager, Calgary.

P. C. GEDDES, accountant, Rouyn, Que., to be manager, Noranda, Que.

J. O. TICE, an audit officer, head office, Toronto, to be assistant manager, Queen & Spadina, Toronto.

R. J. FULTON, accountant, Fort Frances, Ont., to be manager, Lashburn, Sask.

D. M. DAVIES, accountant, Bloor & Dufferin, Toronto, to be manager newly opened branch, Malton, Ont.

C. J. JEFFREY, manager, Lashburn, Sask., to be manager, Milestone, Sask.

C. W. LOTH, formerly manager, Mount Pleasant, Vancouver, to be manager, newly opened branch, Pender & Burrard, Vancouver.

• • •

Nova Scotia:

H. F. CUNNINGHAM, to be an assistant supervisor attached to the supervisor's office, Montreal.

E. E. OWEN, to be an assistant supervisor attached to supervisor's office, Saint John, N.B.

W. H. GRIFFITHS, to be an inspector attached to the supervisor's office, Montreal.

G. C. ROY, to be an inspector attached to supervisor's office, Saint John, N.B.

E. M. ALLEN, to be an assistant inspector attached to supervisor's office, Saint John, N. B.

C. C. AINSLIE, to be manager, Aylsham, Sask.

H. A. BELL, to be manager, Calgary, Alta.

J. G. DEMERS, to be manager, Shippegan, N.B.

A. A. McINTOSH, to be manager at Park & Fairmount, Montreal.

J. A. SEALE, to be manager, St. Malo, Que.

A. R. DEROUX, to be acting manager, Savanna-la-Mar, Jamaica.

A. J. HENDERSON, to be assistant manager, St. John's, Nfld.

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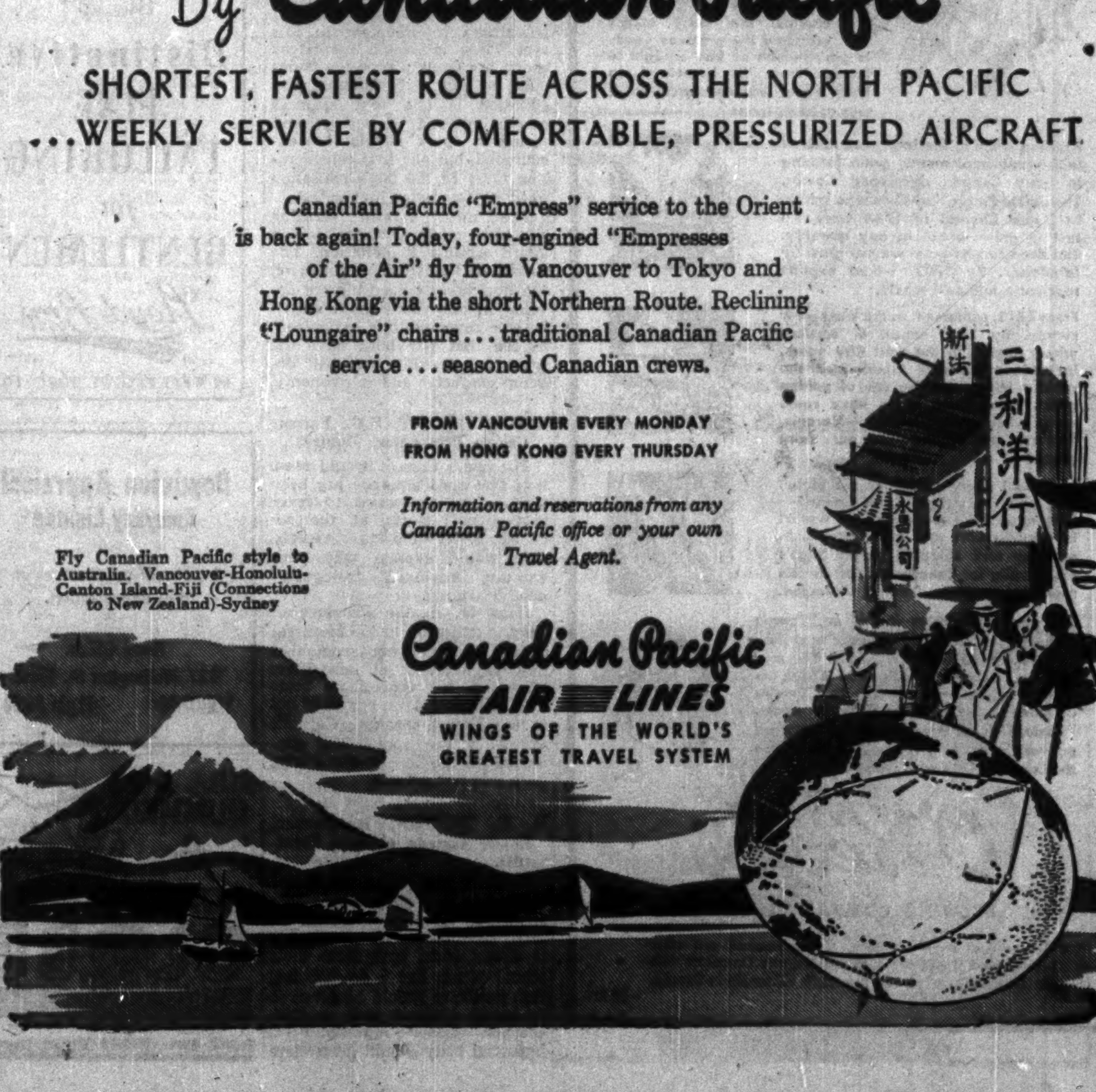

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Long-Term Loss of Market Faces Our Wheat Growers

From Our Own Correspondent

WINNIPEG — From the long range point of view, devaluation of currencies of the sterling block constitutes a danger to the grain-growing economy of North America. It threatens to make more difficult in future years the sale of North American grain to many areas of the world by making it more difficult for consumers there to pay an adequate price. The announcement by Prime Minister Attlee on Sunday was quite naturally therefore expected to have some bearish influence on grain prices on the Chicago market.

Quite the opposite effect was experienced in Winnipeg and not because the sterling block devaluation was any less adverse to this country than to the United States. It was rather because the grain market quite correctly anticipated that Mr. Attlee's announcement would shortly be followed by an announcement of some devaluation of the Canadian dollar which could be expected to put up grain prices in terms of Canadian currency at least so far as immediate effect is concerned. The market consequently rose sharply on Monday and Tuesday anticipating and following Mr. Abbott's announcement.

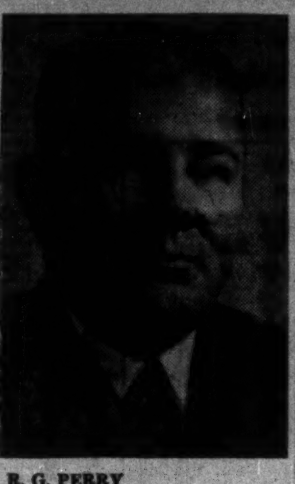
It is important also to recall that the adverse effects of sterling devaluation lie largely in the future and that for the immediate present there is some insulation against them in the prevailing agreements for wheat sales.

The Canadian Wheat Board suspended all offerings of grain during Monday, and resumed them on Tuesday after the status of the Canadian dollar had been discerned. The board then advanced its offering price to countries not included in the international agreement by approximately 10% or to a level of $2.32 per bushel. That price can be expected to fluctuate in the future in accordance with fluctations on the Chicago market. For such sales the Canadian price is held at a level somewhat lower in relation to the Chicago market than might usually be expected. The reason is that Canada must keep its wheat price at something better than a fully competitive basis if it is to attract business which might otherwise go to the United States.

Concurrently, the Wheat Board advanced its price to countries participating in the international agreement from $1.80 per bushel to $1.98 per bushel Canadian funds, plus in each case 5 cents per bushel to cover carrying charges. Fortunately for this country, the International Wheat Agreement provided protection against devaluation of the Canadian dollar for while the maximum price of $1.80 per bushel is stipulated in Canadian currency, the proviso is added that such currency shall be taken at its value as determined by the International Monetary Fund during March, 1949. There was no difficulty therefore in making the advance in question. In fact, Canada was bound to make this advance or otherwise would have been subject to grave criticism from the United States for cutting the price stipulated in the international agreement.

The case is quite different, however, in respect to wheat sold to Great Britain under the 4-year contract made in 1946. That contract contains no safeguard against devaluation of the Canadian dollar. In consequence, Britain continues to buy Canadian wheat this week on the basis of the $2 per bushel price negotiated for the final year of the contract. In this case also 5 cents per bushel is added to cover carrying charges. Similarly, the Wheat Boards domestic price for wheat, established to correspond with the British contract price, remains on the $2 basis.

During the first few weeks of this crop year, it could be said that the western farmer under the contract with the United Kingdom was receiving some benefit to compensate him for the fact that during the first three years of the contract the United Kingdom had been paying a good deal less for wheat than would otherwise have been the case. The price for this crop year was negotiated on the basis of $2 per bushel and that was not cut when the maximum price in the international agreement was set at $1.80 per bushel. That temporary advantage to the western farmer has now been wiped out by currency devaluation and the United Kingdom is now paying for Canadian wheat practically the same price as paid by all other importing countries which are signatory to the international agreement.



R. G. PERRY

general traffic manager, Provincial Transport Co., Montreal, has been elected a director of National Association of Motorbus Operators (U. S. and Canada).

Pulp and Paper Industry Sets 10-Point Policy on Forests

Canada's pulp and paper producers are today gearing their operations to a 10-point forest policy designed to increase the output and maintain yield of the forests in perpetuity.

This policy, adopted by the Canadian Forestry Association in 1946 calls for an increased knowledge of forest inventories; sustained yield forest management; maximum use of all forest products; greater efforts to reduce losses by fire, insects, etc.; long-term tenure on forest lands.

While the operators, the Association reports, are now engaged in implementing the policy on their own limits, complete implementation depends on the degree of Government support provided, the level of general trade in the industry, and the economic position of the individual producer.

Here are the 10 points laid down in the forest policy:

1. By means of aerial and other surveys there must be an increased knowledge of the forest inventories, both in leased areas and in the unoccupied forests.
2. Sustained yield forest management should be applied by all units in the industry.
3. Efforts of the forest industries and the governments should be co-ordinated to reduce losses by fire, insects, and disease.
4. Each forest operator should obtain and apply knowledge and methods which increase the yield per acre and shorten the period of rotation.
5. The maximum use should be made of all products of the forests; logging operations should be integrated to cut and deliver most efficiently all disposable products.
6. The pulp and paper industry will seek to increase the efficiency of its logging operations by the introduction of mechanical equipment.
7. There should be an increasing efficiency in the utilization of woods labor.
8. In order to permit the forest management plans, the tenure of forest lands should be on a long-term basis. Areas suitable only to forest growth should be set aside permanently as forest areas.
9. Operators should seek to provide and protect the heavy capital expenditures necessary to place forest holdings under sustained yield management on a basis which will yield reasonable returns on the investment.
10. The pulp and paper industry will seek to encourage efficient forest management on private lands.

Alberta Cattle Prices Strong

From Our Own Correspondent

CALGARY — Cattle marketing in Alberta stockyards is expected to take an immediate jump but the full effect of devaluation of the Canadian dollar will not be felt until January when choice cattle again comes on the Alberta auction block.

U. S. buyers are expected to make large purchases in Calgary and ship on the hoof across the border for U. S. consumption. The dollar difference will allow cattle to be purchased here and shipped by rail to U. S. points at considerably less than American market prices.

The local livestock market has been active here since the devaluation announcement with prices fully 50c lb. higher.

At present few choice cattle are available for sale at the Alberta stockyards due to a season lull but Alberta farmers, marketing their livestock in January stand to gain considerably once the U. S. buyers start their influx into the province.

Make Profit At Violamac

A net profit of $102,144 was realized by Violamac Mines in the period Jan. 1 to July 31, 1949, on a production value of $198,261, according to President Viola MacMillan.

Production for the period was 751,915 lb. lead, 299,947 lb. zinc, 84,795 oz. silver and 48 oz. gold with smelter shipments averaging $206 a ton.

Most of the production is coming from the high grade vein discovered late last fall on the 4th level which now shows a length of 240 ft., averaging 22 in. wide, with ore continuing in the face.

Drifting has been carried 140 ft. along the vein at the 5th level with two veins stated to be showing in the face with a combined width of 21 in. of "clean lead."

Efforts are being made at the first level to pick up the displaced continuation of the high grade vein mined by former operators.

Ont. Mines Dep't. Holds Meeting On Silicosis

Leading mining organizations met at Queen's Park, Toronto, this week convened by Ontario Mines' Minister Welland S. Gemmell.

Object: To secure a better control of silicosis in Ontario.

Conference discussion was confined chiefly to methods of recording and statistical aspects of silicosis. It is felt by the Minister that if more effective use can be made of existing and future records it will provide a basic knowledge required for medical, technical and administrative purposes in the control of the disease.

The conference was called by Mr. Gemmell following a report by Dr. A. H. Sellers, medical statistician, Ontario Department of Health and N. F. Parkinson, Executive Director, Ontario Mining Association.

Stock Valuation Poses Problem

How should securities held by life insurance companies be valued?

At the superintendents' conference at St. Andrews, N.B., superintendents and life insurance executives discussed the advisability of using the market value of stocks on a certain day as the basis for valuing securities, against valuing them on a yield basis.

Basis of Value

In the report of the association on valuation of securities, paragraph 4 says:

"Stocks held by life insurance companies may be valued in the aggregate at the cost or book value, whichever is lower, provided the income on such stocks in the aggregate during each of the five years preceding the date of valuation, shall have been at a rate sufficient to meet the interest required to maintain policy reserves and other policy obligations and, provided further, that the net investment income received by such companies on their ledger assets shall not have been less than required to maintain the reserve. This shall not apply to stocks of corporations in receivership or similar status. Cost as used shall be held to include stocks received as exchanges or rights received as dividends or otherwise, at not to exceed market value quoted on the date acquired."

This paragraph the committee explains, allows life insurance companies to value stocks at cost or book value provided the income on such stock is sufficient to maintain policy reserves. This provision allowing stocks in certain cases to be carried on life insurance companies' statements at a value in excess of market value was adopted in 1934 during the depression. Security markets then were unsettled and competent opinion believed that market quotations were not indicative of the intrinsic value of securities. In 1934 the National Association of Insurance Commissioners of the United States also adopted this basis of valuation but in 1939 discontinued the special dispensation for life insurance companies and required them to carry their stocks at market values.

Former Basis Retained

The association has retained the provisions of paragraph 4 in the approved basis of valuation although the conditions existing in the security markets in 1934 have now disappeared:

"Your committee, therefore, recommends that the association consider at this time whether or not the special provision for valuing stocks of life insurance companies as set out in paragraph 4 be eliminated and they be required to value their stocks at the lower of book or market values as is required of all other insurers under paragraph 3 of the basis of valuation, which says that stocks, except as provided in paragraph 4, shall be valued in the aggregate at book value or market value, whichever is lower."

Market Value Impractical

Representatives of the life insurance companies believed it was not practical to use the market value of stocks on a certain day, say Dec. 31, in establishing their value. The problem was to allow the companies to maintain a strong financial position against violent swings in the market.

It was also suggested that if market values were to be used, it would be better to take the average price over four or five months than for one day only. The matter was referred to a special subcommittee which will try to work out a basis of valuation satisfactory to all.

How Do Tax Changes Affect Inventory Calculations?

How should inventory values be calculated?

The effect of last March's proposed changes in the Income Tax Act and the thinking of government officials on this subject was outlined by Charles Gavsie, co-ordinator and chairman of the Executive Committee of the Taxation Division, Department of National Revenue at the 47th annual meeting of the Dominion Association of Chartered Accountants. Here is a digest of his address:

By CHARLES GAVSIE

Section 14 (2) of The Income Tax Act provides that, for the purpose of computing income, the property described in an inventory shall be valued at its cost to the taxpayer or its fair market value, whichever is lower, or in such other manner as may be permitted by regulation. The term "inventory" is defined as a description of property the value of which is relevant in computing a taxpayer's income from a business for a taxation year.

This rule sets forth what I believe is a recognized commercial rule. It is a rule for determining the profits of the business for the year which, in general, must be taken to consist of the difference between the receipts of the trade or business during the year and the expenditure laid out to earn these receipts. In making up the account of profit and loss for the purpose of ascertaining the difference, no provision can be made for eventualities, which may be certain but have not yet happened or have not had time to reflect themselves in the returns of the business.

Under the law the profits are the profits realized in the course of the year. An exception is recognized, where a trader purchased and still holds items of inventory which have fallen in value. No loss has been realized, nor may it ever occur. Nevertheless, at the close of the year he is permitted to treat these items as of their market value.

Fundamentally the taxing authorities are concerned with the ascertainment, in the greatest possible degree of accuracy, of the profits from a business in the particular taxation year under assessment and naturally look with disfavor upon any valuation of inventories which has the result of producing a figure of profit or loss more artificial than real.

In valuing inventories, no difficulty will arise where the cost of the actual articles on hand at the close of the year is known. This value where it can be proved will be accepted. The difficulty arises where the fact cannot be proved and assumptions are made.

The so-called "basic stock", "average cost", "Fifo" and "Lifo" methods of inventory valuations are not in fact methods of valuation at all but are rules of presumption as to identity of the inventory to be valued.

The Act does lay down rules for the identification of the inventory on hand at the end of the taxation year and the acceptance or rejection by the taxation authorities of one or other of the presumptive rules of identification of inventories, where these cannot be accurately identified, remains a matter for determination in the light of the facts of each particular case.

In the past the taxing authorities have looked unfavorably in varying degree upon such rules of presuming identity of inventory as "basic stock", "Lifo" and average cost." The fundamental reason for disfavor of these presumptions may be attributed to the fact that the taxing authorities considered that the basis of these rules is the very antithesis of sound business procedure in as much as most things deteriorate through age and consequently every business is desirous of moving its old stock first. Some persuasive arguments have been advanced from time to time to show that in particular businesses the application of one or other of the "basic stock", "Lifo" or "Average Cost" theories for presumption of inventory identification more nearly corresponds with reality than the "Fifo" theory. The taxing authorities are not beyond sound argument in support of any such contentions on the part of taxpayers and are prepared to treat cases upon their merits. The test, however, must continue to be: "In the absence of positive identification of the inventory on hand, which rule of presumption is most likely to present the result most closely akin to reality?"

Once having determined the identity of the inventory, the time-honored rule for valuation, now incorporated into legislation, may be applied. But the problem does not end here. When the inventory on hand is raw material, no serious problems will arise. But different consideration may apply when the inventory consists of goods in process of manufacture or of finished articles. There are no doubt several methods in vogue for the valuation of such articles and the taxing authorities have and will probably continue to accept any method of costing such articles as appears to it to be proper in the circumstances.

Grain Prices

Chicago Futures

Week to Sept. 19, 1949

Crop year from July 1, 1949 High	Low		High for week	Low for week	Close Sept. 19
		Wheat—			
2.14¼	1.80	Sept. ..	2.11⅞	2.08⅜	2.08⅜
2.14⅜	1.81	Dec. ...	2.14⅜	2.10¼	2.11⅞
2.12⅞	1.86	Mar. ...	2.12⅞	2.09¼	2.10⅛
2.06⅜	1.91¼	May ...	2.06⅜	2.02¼	2.04
1.89	1.84	July ...	1.89	1.84	1.87¼
		Corn—			
1.47½	1.08	Sept. ..	1.38⅞	1.25	1.36¼
1.38¼	1.00¼	Dec. ...	1.17⅞	1.15½	1.15⅜
1.21½	1.13½	Mar. ...	1.20	1.18⅜	1.19
1.22⅞	1.15⅜	May ...	1.21⅞	1.19⅜	1.20½
1.22⅞	1.20⅜	July ...	1.22⅞	1.20⅜	1.21
		Oats—			
.72¼	.53⅞	Sept. ..	.69¼	.67⅞	.67⅞
.72¼	.54½	Dec. ...	.67⅞	.66¼	.66⅞
.65	.62⅞	Mar. ...	...	...	.64
.65⅜	.59⅞	May ...	.63⅞	.62⅞	.62⅞
.58¼	.57¼	July ...	.58¼	.57¼	.57¼
		Rye—			
1.60	1.29⅞	Sept.	1.47	1.42	1.42
1.63	1.39¼	Dec. ...	1.51	1.45¼	1.45⅞
1.59¼	1.49¼	May ...	1.55	1.49¼	1.49⅞
1.45¼	1.42	July ...	1.45¼	1.42	1.42
		Soybeans—			
Nov.			2.32	2.24⅞	2.28
Dec.			2.32	2.25¼	2.28
Mar.			2.32⅞	2.25¼	2.28
May			2.29¼	2.23¼	2.25

Chicago Cash

	For Week Sept. 19 High	Low	Prev. Week High	Low
Corn				
2 Yel.	1.36¼	1.31¼	1.35⅞	1.30¼
Oats				
1 H. Wh.	.71⅞	.69¼	.72⅞	.71

Winnipeg Futures

Week to Sept. 19, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Sept. 19
		Oats—			
.78⅞	.72¼	Oct. ...	.78⅞	.73⅞	.78
.75¼	.69⅞	Dec. ...	.75⅜	.73	.75
.75	.69⅞	May ...	.75	.72	.74
		Barley—			
1.40	1.15¼	Oct. ...	1.40	1.32⅞	1.39¼
1.31⅞	1.10¼	Dec. ...	1.31⅞	1.26⅞	1.31⅞
1.27⅞	1.09¼	May ...	1.27⅞	1.22⅞	1.27¼
		Rye—			
1.42⅞	1.28	Oct. ...	1.40	1.35¼	1.39¼
1.42⅞	1.30	Dec. ...	1.41¼	1.36⅞	1.40¼
1.45¼	1.32¼	May ...	1.45¼	1.40¼	1.44⅞
		Flax—			
3.73	3.33	Oct. ...	3.72	3.57¼	3.64
3.73	3.30	Dec. ...	3.71	3.56¼	3.63

Winnipeg Cash

	For Week Sept. 19 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.77¼	.75⅞	.75⅞	.75¼
3 C. W.	.74⅞	.72⅞	.75¼	.73
Barley				
1 Feed	1.45⅞	1.32⅞	1.36	1.32⅞
2 Feed	1.35⅞	1.31⅞	1.36	1.32⅞
1 Malt	1.53¼	1.47⅞	1.49¼	1.47
Rye				
2 C. W.	1.38⅞	1.35	1.36¼	1.34¼
Flax				
1 C. W.	3.69	3.57¼	3.72	3.67¼

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 268

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1949. The dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the first day of November, 1949, to shareholders of record of the 15th October, 1949.

By Order of the Board.
A. C. ASHFORTH,
General Manager.
Toronto, 8th September, 1949.

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 320

Notice is hereby given that a Dividend of thirty cents per share on the paid-up Capital Stock of this Bank has been declared for the current quarter to shareholders of record of 30th September, 1949, and that the same will be payable on and after Tuesday, the first day of November next, at any of the offices of the Bank in Canada.

By Order of the Board.
C. S. FROST,
General Manager.
Halifax, N.S., 13th September, 1949.

Kirkland Lake Gold Mining Company Limited

(No Personal Liability)

DIVIDEND NO. 30

A semi-annual dividend of one cent per share (out of earnings of previous years) on the outstanding capital stock of the Company has been declared payable November 1st, 1949, to shareholders of record September 30th, 1949.

Improvement of mine underground facilities, started in 1948, is nearly complete and will, before the end of 1949, permit handling of increased tonnage. This work has taken longer than expected, has required a substantial capital expenditure and has interfered with normal production, reducing current earnings. The directors therefore consider it advisable to conserve cash and reduce the dividend payable November 1st.

Taxes imposed on shareholders' dividends will be deducted where applicable.

By Order of the Board,
H. F. CASSIDY,
Secretary-Treasurer.

Canada Steamship Lines Limited

A dividend of fifty cents per share on the no par value common shares of Canada Steamship Lines Limited, covering the six months period ended June 30, 1949, was declared payable October 15, 1949, to shareholders of record September 23, 1949.

Dated at Montreal, this 29th day of August, 1949.

R. B. THOMSON,
Vice-President and Secretary.

STANLEY BROCK LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 15 cents per share on the outstanding Class A Shares of the Company and 10 cents per Share on the outstanding Class B Shares of the Company has been declared payable November 1st, 1949, to shareholders of record October 10th, 1949.

By Order of the Board.
W. H. BUSBY,
Treasurer.
September 6th, 1949.

WESTERN BREWERIES LIMITED

NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of forty cents (40c) per share, plus a bonus of twenty-five cents (25c) per share has been declared on the outstanding no-par-value shares of the issued capital stock of this Company, payable on the fifteenth day of October, 1949, to the shareholders of record as at the close of business on the thirtieth day of September, 1949.

By Order of the Board of Directors.
E. F. GALBRAITH,
Secretary-Treasurer.
Winnipeg, Manitoba.
September 8th, 1949.

Delnite Mines, Limited

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND No. 8

TAKE NOTICE that an interim Dividend of 2% (i.e. two cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 8. Such Dividend will be payable November 30th, 1949, to Shareholders of record at the close of business September 30th, 1949.

In the case of Share Warrants such Dividend will be payable on or after November 30th, 1949, in respect of the shares specified therein, upon presentation and delivery of Coupon No. 8 (accompanied by requisite evidence that the coupon holder is domiciled and resident outside of Ontario), at:

The Canadian Bank of Commerce, Toronto Branch, Toronto, Ontario, or Liberty Bank of Buffalo, Buffalo, N.Y.

By Order of the Board,
W. S. WALTON, Secretary.
September 13th, 1949.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividend:

No par value Common Stock

No. 81, quarterly, 15c per share, payable October 25th, 1949, to shareholders of record at the close of business on September 30th, 1949.

L. C. HASKELL,
Secretary.
Montreal, September 9th, 1949.

POWER CORPORATION OF CANADA LIMITED

The Board of Directors has declared this day the following dividends.

6% First Cumulative Preferred Stock

No. 97, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock (Par value $50)

No. 89, quarterly, 75c. per share. Payable October 15th, 1949, to holders of record at the close of business on September 20th, 1949.

L. C. HASKELL,
Secretary.
Montreal, September 9th, 1949.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 251

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st October, 1949 and that the same will be payable at the Bank and its Branches on and after TUESDAY, the FIRST day of NOVEMBER next, to Shareholders of record at the close of business on 30th September, 1949. The Transfer Books will not be closed.

By Order of the Board.
JAMES STEWART,
General Manager.
Toronto, 9th September, 1949.

MACASSA MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 50

Notice is hereby given that an interim dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company, and will be paid in Canadian funds on December 15th, 1949, to shareholders of record November 12th, 1949.

By Order of the Board,
E. W. VANSTONE,
Secretary.
Toronto, Sept. 19, 1949.

Canada Iron Foundries, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 30c. per share on the Non - Cumulative Preference Shares, and 40c. per share on the Common Shares of this Company, has been declared, payable November 1st, 1949, to Shareholders of record October 15th, 1949.

By Order of the Board.
M. S. GROGAN,
Vice-President &
Secretary-Treasurer.
Montreal, September 16th, 1949

The Sherwin - Williams Company of Canada, Limited

Notice is, hereby, given that the one hundred and fifty-third quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, for the quarter ending August 31, 1949, on the Preferred Stock of the Company, has been declared payable October 1, 1949, to Shareholders of record the 14th day of September, 1949.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.
Montreal, Que.
September 7, 1949.

Sullivan Consolidated Mines Limited

Notice of Dividend No. 22

Notice is hereby given that a dividend of 4c per share on the issued capital stock of the company has been declared, payable October 25th, 1949, to shareholders of record at the close of business September 26th, 1949.

By Order of the Board.
A. ARCHAMBAULT,
Sec.-Treasurer.
Montreal, Que.
September 15th, 1949.

Guaranty Trust

Company of Canada

57th CONSECUTIVE DIVIDEND

NOTICE is hereby given that a dividend of 1¼%, being at the rate of 5% per annum on the paid-in capital stock of the Company has been declared for the quarter year ending September 30th, 1949, payable October 15th, 1949, to shareholders of record at the close of business September 30th, 1949. By order of the Board.

J. WILSON BERRY
President & General Manager

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GAS AND ELECTRIC
FORK LIFT TRUCKS
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TRACTORS
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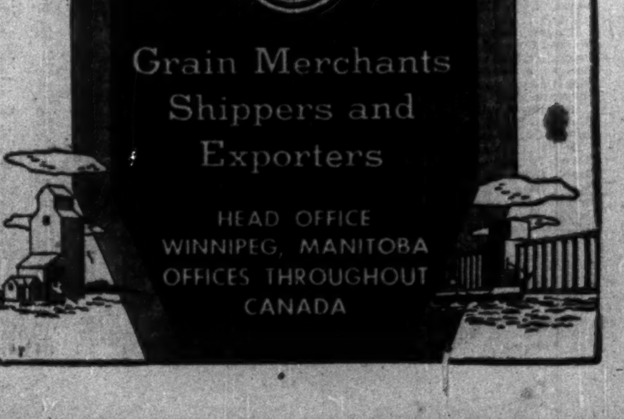

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WINNIPEG, MANITOBA
OFFICES THROUGHOUT
CANADA

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING SEPTEMBER 16

Range 1949 High	Low	Div Rate $	Sep16 Y'ld %	Company	Sales	Last Sept. 9	Week end. Sept. 16 H	L	Cl'se
17½	9½	■.75	...	Abitibi	6590	14½	15½	14½	15½
20½	16	1.50	8.0	Do. $1.50 pf.	4030	18½	19	18½	18½
25	19½	1.00+■1.15		Acadia At. A	1445	21½	22	21½	21½
103	98½	5.00	5.0	Do. 5% pref.	170	100	100	99½	100
15	7	■.50	...	Acme Glove	975	7	7½	7	7½
9½	7½	.60	6.7	Agnew Surp.	455	8½	9	8½	9
50	30	...	...	Algoma Steel	3696	39½	42	39½	42
26½	25	1.00	3.9	Alum of Can p	880	26	26½	25½	26
61½	40½	2.00	3.9	Aluminium, n.	1467	50½	51½	50½	51½
47	42½	2.25	5.3	Ang. Can Tel p	47	42½	42½	42½	42½
18	14	■1.00	..	Ang. Nfld.	1100	14	15	14½	14½
7	5½	.60	8.6	Argus	8375	6½	7	6½	7
76	61	4.50	7.0	Do. 4½% pf.	20	63	64	64	64
.30	.10		...	Do. Warr.	1315	.15	.15	.10	.15
26½	20	1.20	5.0	Asbestos	1085	23	24	23½	24
13½	10½	.60	5.1	Ashdown Hdwe	355	12	11½	11½	11½
12½	9	1.00	9.5	Atlas Steels	5660	9½	9½	9½	9½
104½	103	5.50	5.3	Ault Wibourg p	5	103½	103	103	103
10	5½	.60+■.20		Auto Fabric A	100	7	7	7	7
20½	19½	.80	4.0	Bk. Can. Nat.	205	20½	20½	20½	20½
26½	25	.80+■.20		Bk. Montreal	3070	26½	26½	26	26
36½	34	1.20+■.20		Bk. N. Scotia	885	36	36½	35½	36½
37½	35	1.20+■.20		Bk. Toronto	225	37½	37½	37½	37½
23½	17½	1.50+1.00		Bathurst Pr. A	795	18½	20	19	20
6½	3	■.25	...	Do. (B)	175	4½	5½	5	5½
14½	12	■.50	...	Beatty Bros.	75	14	13½	13½	13½
165	160	6.00+■1.00		Belding Cort.	4	165	165	165	165
17½	16	1.00	6.3	Belgium Gl. p	20	16	16	16	16
43½	38½	2.00	4.7	Bell Telephone	13498	43½	43½	42½	43
8½	5	.20	2.4	Bertram & S B	75	8½	8½	8½	8½
20½	15	1.00	6.7	Biltmore Hat A	55	15½	15	15	15
54	45	2.50	4.8	Blue Ribbon, p	150	51	52	50½	52
1.25	.35		...	Brand & Mill.	3800	.40	.40	.35	.35
26½	25	1.30	4.9	Brant. Cord. pf	35	26½	26½	26½	26½
21½	17½	2.00	9.5	Brazilian Tr.	9683	21	21½	20½	21
15½	13	.80+■.30		Brew. & Distil	15	14	15	15	15
14½	12	■.40	...	Br. Am Bk Nts	5	12½	12½	12½	12½
25½	22	1.00	4.0	Brit. Amer. Oil	2430	25½	25½	25	25½
25½	24	.96½	3.6	Do. pref. N.	180	25½	25½	25	25½
90½	86	4.00	4.5	B.C. Elec 4% p	60	87½	89	88½	89
101½	97	4.75	4.8	Do. 4¾% pref.	25	100	100	99	99
3	2½	.30	10.4	B.C. Forest	14330	2½	2½	2½	2½
13	10	.75	6.4	B.C. Packers A	625	11½	11½	11½	11½
7	5	.50	8.3	Do. (B)	150	6½	6½	6	6
28½	24½	1.60	5.8	B.C. Power A.	1343	28	28½	28	28½
3½	2	.	...	Do. (B)	7861	3½	3½	3½	3½
114	75	.	...	B.C. Pulp & P	170	75	80½	77	80½
.80	.30	.	...	B.C. Turf	2000	.55	.55	.55	.55
4	2	...	...	Brown Co.	11893	2½	3½	2½	2½
103	70½	▲6.00	...	Do. pref.	692	78	81	78½	80½
17½	[illegible]	1.20	7.8	Bruck Mills A	255	15½	15½	15½	15½
5½	4	.30+■.14		Do. (B)	385	5	5½	5	5½
33	27	1.60	5.0	Building Prod.	1155	31	32	31½	32
14½	12½	■.75+.25		Burlington St'l.	55	13½	13	13	13
4.12½	2.00		...	Burnett Ltd.	250	2.00	1.85	1.50	1.85
17½	12½	1.30+■1.30		Burns & Co B	70	14	14½	14	14½
8½	6½	.45	6.0	Burrard D.D. A	50	7½	7½	7½	7½
17	16	.80+■.20		Caldwell L 2 p	15	16	16½	16½	16½
95	84	4.50	4.8	Can. Bread pf.	5	94	95	95	95
26½	20½	.	...	Canada Cement	1967	25½	25½	25	25
30	26½	1.30	4.7	Do. pref.	655	28	28½	28	28½
23	18½	■.45	...	C. & D. Sugar	2120	21½	21½	21	21½
6½	4½	.50	9.5	Can. Machine	15	5	5½	5½	5½
50	42½	2.00	4.3	Can. Malting	160	46	47	46½	47
11	8½	.60	5.7	Can. Nor. Pr.	360	11	10½	10	10½
34	28½	1.50	4.7	Can. Packers A	455	32	32	32	32
17½	14	.50	2.9	Do. (B)	805	17	17½	17	17
8½	6½	.	...	Can. Starch	275	7	8½	8½	8½
15½	12	1.00	6.5	Can. Steamsh's	2575	14½	15½	14½	15½
38	32	2.50	6.7	Do. pref.	382	37	37½	36½	37½
13½	11½	.80	6.2	Can. Vinegars	5	13	13	13	13
83	79	4.00	5.0	Can W Cable A	90	81	81	80	80
31	24½	■1.50	..	Do. (B)	35	28	30	30	30
6½	5½	■.20	...	Can. Bakeries	106	6½	6½	6½	6½
24½	22½	.80+■.20		Can. Bk. Com.	2480	24½	24½	24½	24½
23½	18½	2.00	8.6	Can. Breweries	28851	21½	23½	21½	23½
23½	17½	■1.12½	..	Can. Bronze	635	20	21½	20	21½
18	13½	1.25	7.5	Can. Canners	324	17	16½	16½	16½
25	22½	1.00+.20▲▲		Do. 1st pref.	1250	23½	24	22½	24
18	13½	.60+.40▲▲		Do. 2nd pref.	210	16½	16½	16½	16½
14½	9½	.80	6.6	Can. Car & F'y	3365	11	12½	10½	12
17	13	1.00	6.9	Do. pref. A.	645	14½	14½	14½	14½
23½	19	1.40	6.2	Can. Celanese	6620	22	23½	22	22½
39	35½	1.75	4.7	Do. pref.	150	36	37½	36½	37
48	45	2.80	6.2	Can. Cottons	50	45½	45½	45	45
33	30	1.00	3.0	Can. Fairb.	27	33	33	33	33
9	4½	.75	12.2	Can Food Prod	250	6½	6½	6	6½
13½	8½	1.00	9.5	Do. (A)	115	10½	10½	10	10½
77	62	4.50	7.3	Do. pref.	10	63	62	62	62
31	24	■2.75	..	Can. For. Inv.	410	26½	31	27	31
17½	15½	.80+■.20		Can. G. Inv.	260	16	16½	16	16½
11½	8½	■.50	...	Cn. Ind. Alc A	4060	9½	9½	8½	9½
11½	8	■.50	...	Do. (B)	5	9½	8½	8½	8½
22	19½	■.75	...	Can. Indust.	2003	20	20½	20	20
178½	170	7.00	4.0	Do. pref.	45	175	175½	175	175½
101	87	‡5.00	..	Can Int I Tr p	15	87	90	90	90
34	22½	.	...	Can. Lt. & Pr.	21	23	23½	23½	23½
36½	24	1.00+1.75		Can. Locomo.	2304	29	30½	29	30
2.00	1.00	...	...	Can. Marconi	1225	1.50	1.80	1.65	1.80
15½	12½	.80	5.9	Can. Oil	415	13½	13½	13½	13½
101	95	5.00	5.0	Do. 5% pref.	35	100½	100½	100	100½
17½	11½	1.25	7.6	Can. Pacific	21216	15½	16½	15½	16½
2.00	1.00	.	...	C. Pr. & Pa In	92	1.00	1.00	1.00	1.00
11	9		...	Do. pref.	20	9	10	10	10
28½	23	1.20+■1.30		Can. Tire	30	27	27½	27½	27½
102	98½	5.00	5.0	Can. Utilities	20	99½	99½	99½	99½
85	60	...	...	Can. Vickers	2165	69½	82	69	79
4.00	3.00	.40	11.0	C. W. Lumber	12350	3.25	3.62½	3.37½	3.62½
55	47	2.00	3.6	Can. West'g'hse	220	54½	55	54½	54½
14½	10	▲.60	...	Capital Estates	445	13	14½	14	14½
11½	7	■.60	...	Cardy Corp.	165	7½	7½	7½	7½
36	30	■.75	...	Catelli Food	10	32	33½	33½	33½
11½	8½	■.75	...	Chatco Steel	303	8½	8½	8½	8½
7½	5½	.50	8.7	Do. pref.	249	5½	6	5½	5½
10	7½	■.75	...	Ch. Gai Wines	10	8	7½	7½	7½
.98	.41	.	...	Chem. Research	12050	.56	.65	.58	.65
1.00	1.00	.	...	Claude Neon B	100	..	1.00	1.00	1.00
40	35	.	...	Do. pref.	50	..	40	35	40
3.60	3.00	.24	6.8	Coast Brew.	1120	3.40	3.60	3.35	3.55
14½	11	.80	6.2	Cockshutt Plow	3019	12	13	11½	13
6.00	1.90	■.05	...	Comm. Alcohol	1875	2.25	3.00	2.50	3.00
7½	3½	.	...	Do. pref.	200	4½	4½	4½	4½
6½	5	■.50	...	Conduits Nat.	100	5½	5½	5½	5½
12	7½	■.25	...	Cons. Bakeries	1025	11½	11½	11½	11½
18½	13½	1.00+■.75		Cons. Paper	15194	16	17½	15½	17½
8½	6	.65	9.6	Cons. Press A.	30	6½	6½	6½	6½
3.00	2.00		...	Do. (B)	30	2.00	2.00	2.00	2.00
123	81	‡3.00	...	Cons. Smelt.	3731	97½	100	98	99
12½	8	■.45	...	Con. Textiles n	100	8½	9	9	9
156	148½	8.00	5.2	Consumers Gas	168	156	156	153	154
30	20	1.50	6.1	Consum. Glass	300	23½	24½	23½	24½
21	17	1.50	8.3	Corr. P. Box	40	18	18	18	18
100	100	5.00	5.0	Do. 5% pref.	10	100	100	100	100
15½	13½	.40	2.8	Cosmos Imp.	60	14½	14½	14½	14½
6½	5½	.50	9.1	Craig Bit	100	5½	5½	5½	5½
38	34	2.00	5.4	Crown Cork	80	37	37	37	37
52	45½	■2.00	..	Crow's N. Coal	100	50	50½	50½	50½
23	20	.80	7.3	Davis Leather A	60	20½	20½	20	20½
9½	6½	.70	9.3	Do. (B)	130	7	7½	7½	7½
11½	5½	.30	3.0	Disher Steel	10	9½	10	10	10
20	14½	1.00	5.3	Distill-Seag.	5885	19	19½	18½	18½
27	23½	1.00	3.8	Dom. Bank	445	26½	27	26½	26½
38½	31½	1.20+■1.00		Dom. Bridge	2720	37	38½	36½	38
21	16	‡1.50	...	Dom. Coal Pref	120	18½	19	19	19
3½	2½	.	...	Dom. Electro	700	3	3	3	3
48	42	3.00	6.4	Dom. Engineer	35	45	47	46	47
27½	22½	1.40	5.6	Dom Foundries	630	25	25½	24½	25
41½	34½	1.00+■1.00		Dom. Glass	100	41	41½	40½	41½
35½	30	1.40	4.1	Do. pref.	85	34½	34	34	34
14½	8	.	...	Dom. Magnes.	500	10	10	9½	10
40½	36½	1.60+■.30		Dom. Oilcloth	375	39	40½	39½	40½
5	3½		...	Dom. Scot. Inv.	10	4	4	4	4
46	40	1.25	3.3	Do. pref.	35	40	44	42	42
74	53	■2.25	..	Dom. Square	105	60	74	69	74
17½	13½	1.00	6.0	Dom. St. & CB	5384	16½	17	16½	16½
28½	21½	1.50	5.3	Dom. Stores	860	28½	28½	27½	28½
27	20	1.00	4.1	Dom Tar & Ch	1100	23	24½	23	24½
22	18	1.00	4.7	Do. pref.	358	21½	21½	21	21½
25½	20	1.00	4.1	Do. V.T.	225	23	24½	23½	24½
12	10½	.60+■.25		Dom. Textile	5885	11½	12	11½	11½
13½	11	1.00	8.6	Dom. Woollens	50	11½	11½	11½	11½
21	13½	1.00	6.7	Donnacona Pap	640	14½	15	15	15
98½	87	4.50	5.1	Do. pref.	25	87	88	88	88
13½	9½	1.00	10.3	Donnell & M A	50	10	9½	9½	9½
26	11½	1.20	6.7	Dryden Paper	140	15	17½	17	17½
40	23		...	East Koot. pf.	5	37½	37½	37½	37½
7½	4½	■.30	...	East Steel	750	5	5½	4½	5
43	38	■3.70	..	Economic Inv.	30	42	42	42	42
17½	13½	1.00	6.7	Eddy Papers	125	14½	15	14½	15
14½	11½	▲1.20	..	Electrolux	300	13½	13½	13½	13½
18	14½	1.00	6.8	Enam. & Heat.	25	14½	14½	14½	14½
11½	10½	.50	4.7	Equitable Life.	275	10½	10½	10½	10½
1.55	.80		...	Fairchild Air.	1425	1.35	1.40	1.30	1.30
16	13½	1.00	7.1	Fam. Players	1255	14	14½	14	14½
37½	30½	▲1.50	..	Fanny Farmer	450	35½	36½	35½	35½
8½	5	.	...	Fed. Grain A.	4770	5½	8½	5½	8½
116	99	‡6.50	..	Do. pref.	200	108½	115	108	115
10	8	.80	8.9	Fibre Products	100	9½	9	9	9
2.25	1.25	...	...	Fleet Aircraft	14250	1.50	1.75	1.50	1.60
6½	3	.	...	Fleury Bissell.	100	4	3	3	3
26	20½	▲1.00	..	Ford Motor A.	3106	23½	24½	23½	23½
.25	.20	.	...	For. Pr. Secs.	500	.20	.20	.20	.20
6	3	.	...	Do. pref.	5	5½	5	5	5
30	24	1.40+■.50		Foundation Co.	220	29	30	29½	30
28	17½	■2.12½	..	Fraser Cos.	4281	20½	24	20	24
98½	96½	4.75	4.9	Do. pref.	5	97½	97	97	97
92	85	4.00	4.4	Gair of Can.	97	92	92	92	92
18	15	1.20	6.7	Gatineau Pwr.	255	16½	18	16½	18
106½	100½	5.00	4.8	Do. pref.	135	105	104	103½	104
110½	108½	5.50	5.0	Do. 5½%	25	109½	109½	109½	109½
2.75	1.55		...	Gen. Bakeries	135	2.25	2.50	2.25	2.50
21½	16½	1.00	4.6	Gen. Prod. A.	100	21	21½	21½	21½
17½	13	.80	4.6	Gen. St. Wares	1600	15½	17½	15½	17½
102½	99½	5.00	4.9	Do. pref.	10	100	101½	101½	101½

Range 1949 High	Low	Div Rate $	Sep16 Y'ld %	Company	Sales	Last Sept. 9	Week end. Sept. 16 H	L	Cl'se
52½	50½	2.00	3.9	Goodyear T. pf	65	51½	52	51½	52
10½	9½	.50	5.1	Gor. MacKay A	450	9½	10	9½	9½
22	19	1.00	5.3	Do. (B)	50	19	19	19	19
16	9½	■.90	...	Gt. Lakes Pap.	5170	10½	11½	10½	11½
40	34	2.50	7.1	Do. A pref.	180	35½	35½	34½	35
13	8		...	Gt. W Saddlery	10	9½	10	10	10
5	3½	.20+■.05		Greening Wire	100	4½	4½	4½	4½
17	14	1.00+■.25		Gypsum Lime	1060	14½	15½	14½	15½
10½	8		...	Halifax Insur.	264	9	9½	9½	9½
10½	7	.50+■.25		Ham. Bridge	130	9½	10	9½	9½
12	9½	.80+■.10		Harding Carpet	520	9½	10	9½	10
10½	9½	.50	5.3	J. F. Hartz A.	40	10½	9½	9½	9½
31½	20	†1.00	..	Hayes Steel	30	25	26	26	26
13	9½	1.00	10.0	Hendershot Pa.	100	10½	10½	10	10
19½	14	1.00	6.3	Hinde & Dauch	375	16	16	15½	16
9½	8	.60	7.5	Holden Mfg. A	60	8	8	8	8
31	27	2.00	6.6	H. Smith Pap.	730	30	30½	30	30½
47	42	2.00	4.7	Do. pref.	25	43	43	43	43
8½	6½	■.20	...	Hunts A	300	8½	8	7½	8
9	7½	■.20	...	Do. (B)	25	9	8	8	8
30	27½	1.20	4.0	Imperial Bk.	685	29½	30	29½	30
19½	16½	.50	2.7	Imperial Oil	17636	18½	18½	18½	18½
14½	13½	.50+■.20		Imp. Tobacco	4460	14	14	13½	14
25½	24½	1.00	3.9	Do. 4% pref.	450	25½	25½	25½	25½
25½	19½	1.50	6.2	Indust. Accept.	1500	23½	25½	24½	24½
98½	96½	5.00	5.1	Do. 5% pref.	250	98	98	98	98
25½	25	1.25	5.0	Do. 5% Con p	835	25	25½	25½	25½
15	15	■.20	...	Inter-City Bak.	25	15	15	15	15
8½	4		...	Inter. Bronze	50	5	6	6	6
22	15	1.50	9.1	Do. pref.	50	17	16½	16½	16½
26	21	1.60	6.9	Int. Metal Ind.	415	23½	24	23½	23½
101½	99½	4.50	4.5	Do. pref.	25	100½	100½	100½	100½
36	29	▲1.60	..	Inter. Nickel	5866	31½	32½	31½	32½
61	43½	▲4.00	..	Int. Paper	19132	56½	61	56½	60½
108	98	▲4.00	..	Do. pref.	100	98	108	108	108
13	7	.50	5.9	Int. Pete.	3391	7½	8½	7½	8½
50½	43		...	Int. Power	50	46½	47½	47	47½
16½	13½	▲1.00	..	Int. Util.	1392	16½	16½	16½	16½
8½	8	■.30	...	Inv Foundation	15	8	8½	8½	8½
52	49	3.00	6.0	Do. pref.	15	49	50	50	50
13	11½	1.00	7.7	Jam. Pub. Ser.	125	13	13	13	13
9	7½	.40	5.3	John Inglis	71	8	8½	7½	7½
16	13½	.80	5.7	Jour. Pub. Ot.	50	15½	14	14	14
32½	25	■2.50	..	Kelvinator	85	32	32	32	32
24½	19	1.00	5.1	Labatt, John	475	19½	19½	19½	19½
29	21½	1.60	6.4	Lake of Woods	100	25	25	24½	25
155	142½	7.00	4.9	Do. pref.	16	142½	143	142½	143
19½	16½	1.00	5.6	Lang, J. A.	25	18	18	18	18
55	45	.	...	Langley's, pref.	15	52	50	50	50
16	13	.80	5.3	Laura Secord	540	14½	15	14½	15
14½	10	1.00	9.1	Lewis Bros.	60	11½	11	11	11
31½	26½	1.00+■.12½		Loblaw A	370	30	30	29½	29½
30½	27	1.00+■.12½		Do. (B)	810	30	30½	29½	30½
16½	13½	1.00	6.9	Lowneys	30	14½	14½	14½	14½
39½	32	2.00+■.25		Maclaren Pr.	200	33	34	34	34
10	7½	.50	5.6	MacMillan Ex.	25	8½	9	9	9
7½	6	.30+■.10		Do. (B)	3636	6½	7	6½	7
22½	15½	1.00	5.1	Massey-Harris	....	18½	19½	18½	19½
27½	23	1.25	5.1	Do. pref.	115	24½	25	24½	24½
15½	10½	.50	3.8	McColl Fron.	3120	13	13½	12½	13½
98	90½	4.00	4.3	Do. pref.	20	92	94	93	94
12½	11	.60	5.2	Melchers, pref.	100	11½	11½	11½	11½
7½	6	.60	9.2	Mercury Mills	900	6½	6½	6	6½
1.10	.50	■.05	...	Mica of Can.	600	1.00	1.00	1.00	1.00
1.55	.95	.	...	Milton Brick	500	1.30	1.30	1.20	1.20
22½	12½	▲■1.25	...	Minn. & Ont P	2840	13½	15½	14	15
16	12½	■.50	...	Mod. Contain.	60	13	12½	12½	12½
18	14½	1.00	6.8	Do. (A)	60	14½	14½	14½	14½
41	33	1.00+■.75		Molson Brew.	1545	40½	40½	40½	40½
14	10	1.00	10.0	Monarch Knit.	500	11	10	10	10
23½	17	■1.40+.70		Montreal Loco.	3630	19	20½	19	19½
40	27		...	Mont. Trams.	85	34½	33	33	33
73½	64½	3.00+■.45		Moore Corp.	895	72	72	71½	73½
280	256	▲7.00	..	Do. pref. A.	50	256	280	280	280
430	384	▲7.00	..	Do. pref. B.	20	390	430	430	430
9½	8½	.50+■.10		Mt. Royal Rice	60	9	9	9	9
39½	34½	2.00	5.1	Nat. Breweries	1131	39	39½	39½	39½
43	40	1.75	4.1	Do. pref.	75	43	42½	42	42½
8	6	.50	6.3	Nat. Drug	50	8	8	8	8
11½	10	.60	5.6	Do. pref.	550	11½	11½	10½	10½
14½	12	.60+■.20		Nat. Grocers	70	13	13	13	13
19	15½	1.20	6.5	Nat. Hosiery B	1350	17½	19	17½	18½
34	27	2.40	8.3	N. Sew Pipe A	50	28½	29	29	29
23½	16	1.50+■.25		Nat. Steel Car	3745	18½	20	19	20
29	25	1.00	3.6	National Tr.	10	27	27½	27½	27½
104	100	5.00	4.9	W Neilson 5%p	20	100	101½	101½	101½
17	15½	1.00	5.9	Nfld. Lt. & Pr.	75	16½	17	17	17
25	20	1.60+■.40		Niag. W. Weav	25	21	21½	21½	21½
10	5½	.	...	North Star Oil.	270	9½	9½	8½	8½
5½	5½	.35+.08½		Do. pref.	200	5½	5½	5½	5½
11	9½	†4.50	..	Nuclear Ent.	25	10	10½	10½	10½
26½	20	1.00	4.3	Ogilvie Flour	556	23	23½	23	23½
173½	168	7.00	4.2	Do. pref.	3	168	168½	168½	168½
24	18	2.00	8.4	Ontario Steel	325	22½	24	23	23½
7	3½	●		Orange Crush	2560	6½	6½	6½	6½
26½	19½	.60+■.40		Ott L. H. & Pr	1862	26½	26½	26½	27
103	101	5.00	4.9	Do. pref.	10	102½	102	102	102
46½	36½	■1.80	..	Page Hersey	940	45	46½	45	46½
20½	15		...	Paul S.S.	380	15	16½	15½	16
63	56	3.00	5.0	Penmans	295	59	60½	58	60½
6	5	.25	5.0	People's Cr Sec	100	6	5	5	5
27	25	■1.50+.75		Photo Eng.	50	26	26½	26	26
42½	33½	■2.00+.70		Powell River	3145	38½	39½	38½	39
16½	12½	■.45	...	Power Corp.	1095	15	15½	14½	15
111	104	6.00	5.5	Do. pref.	25	110	109½	108½	109½
55	51	3.00	5.8	Do. 2nd pref.	95	52½	52½	52	52
12½	9½	■▲.75	..	Pressed Metals	500	11½	11½	11½	11½
60	45½	■4.00+.50		Price Bros.	5668	52	56½	52½	55½
11½	10½	■.60+.10		Prov Transport	160	11½	11½	11½	11½
9½	6½	.50	6.5	Purity Flour	500	6½	7½	7½	7½
53½	43	3.50	7.4	Do. pref.	50	45½	47½	47½	47½
17½	16	1.00	5.9	Quebec Power	75	16	17	16½	17
24	12½		...	Que. P. & P. p	856	22½	22½	22½	22½
9½	8	.60+■.10		Quinte Milk A	100	8	9	9	9
8	5½	.60	9.2	Renfrew Text.	100	6½	6½	6½	6½
15½	15	1.00	6.7	Robinson Lit.A	30	15	15	15	15
26½	24½	1.00	3.9	Royal Bank	1315	25½	26	25½	26
19	14½	■.40	..	Russell Indus.	1380	15½	16½	15½	16½
103½	98½	4.25	4.1	Saguenay Pr. p	40	102½	103	102½	103
10	4		...	St. Law. Corp.	725	6½	7	6½	7
22½	17	2.00	9.2	Do. 1st pref.	301	20½	21½	21	21½
14½	9	.75	5.1	Do. 2nd pref.	2335	12½	14	13½	13½
24	20	1.60	7.3	St. Law. Flour	35	21	22	22	22
86	70½	6.00	7.8	St. L. Pap 1 p	693	71	77½	71½	77½
45	36½	2.40	5.3	Do. 2nd pref.	1210	43½	45	43½	45
10½	9½	■.37½	..	Sangamo	125	10	10½	10	10½
6½	6	■.50	..	Sarnia Br.	200	6	6	6	6
16	14	.80	5.3	Scarfe & Co A	10	14	15	15	15
25½	22½	1.20	4.8	Shawinigan Pr.	3985	24½	25½	24½	24½
48½	45½	2.00	4.3	Do. 4% pref.	415	47	47½	47	47
12½	11½	.55	4.4	Shea's Brew A	75	12½	12½	12½	12½
22	15	.80+■.20		Sher. Wms.	100	18½	18½	17½	17½
19	15½	1.00	5.3	Sicks Brew.	2610	18	19	18½	18½
18½	15½	1.00	5.6	Do. V.T.	1690	17½	18½	17½	18
15	11½	.60+■.40		Silknit	20	15	15	14½	14½
9½	8½	.60	6.9	Silverwoods A.	608	9½	9½	8½	8½
7½	5½	■.25	...	Do. (B)	84	6½	6½	6½	6½
30	24	■2.00	..	Simpson A	800	24½	24½	24	24
26½	21	■2.00	..	Do. (B)	455	21	22½	22	22
99½	83	4.50	4.8	Do. pref.	82	95½	96½	94	94
20½	17	1.00	5.0	Southam	1040	20	20	20	20
113	107½	6.00	5.5	So. Can. Pr. p	20	109	110	110	110
.46	.38	...	...	South. Inv.	12115	.43	.44	.42	.44
9½	5	.40	4.6	Stand. Chem.	14165	9½	9½	8½	8½
90	78	5.00	5.7	Do. pref.	155	85	90	85	88
11½	7	■1.00	..	St. Pav.	500	11½	11½	10½	10½
23	18½	■1.25+.62½		Do. pref.	115	22½	22½	22	22½
5	3	.40	10.0	Stand. Radio	85	4½	4½	4	4
9½	7	.60	6.7	Stan. Brock A.	100	7½	9	9	9
15	13	.80	5.3	Stedman Bros.	450	15	15	15	15
87	78	3.00+■1.00		Steel of Can.	960	85½	87	85	87
86	78	3.00+■1.00		Do. pref.	524	84½	85½	84	85½
5½	4½	.50	10.0	Stovell Press p	100	5	5	5	5
47½	42	2.50	6.0	Sup. Pete. Ord.	12	42	42	42	42
28½	26½	1.00+■.60		Tamblyn	120	28½	28½	28	28
5½	4½	■.25	...	Taylor Pearson	100	5½	5½	5½	5½
16½	12	1.00	8.3	Thrift Stores	3	14	12	12	12
7	4½	.40	8.0	Tooke Bros.	25	4½	5	5	5
11	9½	.60	5.9	Tor. Elevators	200	9½	10½	10½	10½
12	10½	.60+■.15		Toronto Iron A	100	10½	10½	10½	10½
21	17	1.50	7.3	Traders Fin. A	252	20½	20½	20½	20½
.65	.25	...	...	Trans-Televis.	10700	.30	.30	.25	.25
170	155	7.00	4.4	Tuckett Tob. p	5	161	161	161	161
15½	8½	■.25	...	Union Gas	13895	14	14½	13½	14½
31	25½	1.50	5.6	United Corp. A	25	26	27	27	27
24½	17	1.00+■.50		Do. (B)	190	21	23	22½	22½
55	47	3.00	5.6	United Fuel, pf	100	55	54	52½	53½
21	17	.	...	Do. B pref.	785	20	20	19½	20
19½	16½	1.00	5.6	United Grain A	49	18	18	18	18
7½	5½	.60	9.1	United Steel	2570	6½	6½	6½	6½
27½	24	1.00	3.6	Viau Limited	5	27½	27½	27½	27½
16½	14	1.00	6.8	Wabasso Cot.	1870	14½	15½	14½	14½
30½	23½	2.00	6.7	Walker-Good.	10245	29½	30½	29½	30
40½	35½	2.00+■1.75		Westeel	115	39½	40½	40	40½
25	21	1.60	6.4	West Brew.	100	23	25	25	25
26	22		...	West Grocers	62	25	25	25	25
39	29	2.00	6.7	Do. (A)	100	33½	30	30	30
35	29	1.40	4.2	Do. pref.	130	29½	33	33	33
25	20½	1.00	4.2	Weston, George	200	24	24	23½	24
100½	90½	4.50	4.6	Do. 4½% pref	90	97	97½	97	97½
11½	8½		...	Willson Stat.	120	9	9½	9	9½
19	17½	1.00	5.4	Wilsils	185	17½	18½	18½	18½
17	12		...	Windsor Hotel	131	13	13½	13	13
37½	27	■.70	..	Winnipeg Elec.	2902	34½	34½	33½	33½
100	97	5.00	5.1	Do. pref.	105	99	98½	98	98
35	25	2.00	8.0	Woods Mfg. pf	200	27	25	25	25
7½	6½	.40	6.2	York Knit. A.	100	6½	6½	6½	6½
43½	39	2.00	4.7	Zellers	50	42	43	42½	43
26	24½	1.25	4.9	Do. 5% pref.	30	25½	25½	25½	25½
29	27½	1.50	5.5	Do. 6% pref.	450	28	27½	27½	27½

*On arrears. ‡Net after income taxes. ▲▲Participating div. ♦After stock split. ▲Plus extras. ▲N. Y. funds. †Paid in 1948. ●Dividend deferred. ■Paid or payable in 1949. ‡Plus payments on arrears.

Mining Stocks

Week Ended September 16

Range 1949 High	Low	Div. Rate $	Sept. 16 Yield %	Company	Sales	Last Sept. 9	Week Ending Sept. 16 High	Low	Close
.05½	.03½	.....	....	L. Fortune	2,500	.04	.04½	.03½	.03½
.84	.39	.....	....	L. Lingman	6,600	.46	.46	.44	.44
.12	.06	.....	....	L. Rowan	4,566	.08	.08	.08	.08
15.65	10.50	.72	4.8	Lake Shore	2,820	15.25	15.50	14.37½	15.00
.53	.34	.....	....	Lake Wasa	6,840	.45	.46	.42	.46
2.85	2.00	▼.05	....	La Luz	1,000	2.70	2.65	2.60	2.60
7.00	5.80	▼.36	....	Lamaque G	1,100	6.90	6.75	6.50	6.50
.05½	.03	.....	....	Lapa Cad.	500	.04	.04	.04	.04
.12	.05½	.....	....	Lapaska	2,500	.06½	.07	.06½	.06½
.06½	.02½	.....	....	Larder U.	21,000	.04	.04½	.04	.04½
1.45	.94	.08	6.6	Leitch G.	21,700	1.21	1.25	1.15	1.22
.06½	.03	.....	....	Lingside	1,000	.05	.05½	.05½	.05½
1.08	.55	.....	....	Little L L	13,500	.77	.75	.70	.72
.45	.08	.....	....	Louvicourt	30,100	.17	.17	.15	.16
.24	.10½	.....	....	Luxward	6,100	.23	.22	.20	.21
.16	.08	.....	....	Lynx Y K	3,000	.13	.14	.13	.14
2.70	1.90	▼.03	....	Macassa	15,200	2.45	2.65	2.44	2.65
.74	.19	.....	....	MacDonald	69,900	.40	.50	.40	.49
.13½	.05	.....	....	Macfie	37,500	.06½	.06½	.05½	.06½
.34	.15	.....	....	Macho R	500	.16	.15	.15	.15
1.79	.77	▼.05	....	MacLeod	58,100	1.51	1.55	1.37	1.45
3.15	2.40	.08	2.7	Mad R L	12,270	2.95	3.05	2.81	3.00
.30	.16	.....	....	Magnet	15,800	.24	.30	.22	.26
2.95	2.02	.....	....	Malartic G.	31,700	2.75	2.79	2.56	2.78
.04½	.02	.....	....	Man & East.	3,000	.02½	.02½	.02	.02½
.06	.03	.....	....	Mar'n McN	1,000	.04	.04½	.04½	.04½
66.50	50.50	2.01 and 1.00½‡	4.7	McIntyre	1,335	64.50	64.50	63.50	64.25
.61	.30	.....	....	McK R L	11,200	.50	.50	.47	.50
.12	.04	.....	....	McLellan C	3,800	.06	.05	.05	.05
.21½	.08	.....	....	McMarmac	2,000	.12	.12	.10	.10
.12	.08	.....	....	McWat's	1,400	.10	.12	.11	.12
12.12½	8.35	†.15	....	Min'g Corp	4,010	11.00	11.12½	11.00	11.12½
.60	.37	.....	....	Moneta	27,450	.41	.41	.40	.40
[illegible]	.05½	.....	....	Mylamaque	500	.08	.07½	.07½	.07½
.90	.60	.....	....	Nechi Con.	400	.90	.90	.87	.90
2.63	1.95	.....	....	Negus M.	16,725	2.25	2.52	2.15	2.30
.15	.06½	.....	....	N. Alger	21,101	.09½	.10	.09½	.10
.09	.03	.....	....	New Bidl'e.	6,500	.04	.04½	.03½	.04½
2.35	.84	▼.20	....	N. Calumet	9,900	1.28	1.34	1.26	1.28
.31	.18	.....	....	N Goldvue.	6,250	.24	.24	.22	.22
.75	.47	.....	....	N Jason	23,955	.60	.62	.57	.58

Oil Stocks

Range 1949 High	Low	Div. Rate $	Sept. 16 Yield %	Company	Sales	Last Sept. 9	Week Ending Sept. 16 High	Low	Close
2.60	1.11	‡.10	....	Okalta	19,000	1.60	1.75	1.58	1.74
3.05	2.00	.10	3.5	Pac. Pete.	103,470	2.65	2.91	2.60	2.85
.25	.09	.....	....	Pan West	5,000	.16	.16½	.14½	.15½
.05½	.02½	.....	....	Phillips P.	2,000	.04½	.04½	.04½	.04½
.42	.17½	.....	....	Princess P.	47,750	.26	.28½	.25	.28
.04½	.01	.....	....	Richfield	1,700	.02½	.02½	.02	.02
.50	.23	.....	....	Roxana	21,100	.32½	.39	.30	.39
.13	.06	.....	....	Royal Can.	5,200	.06½	.07½	.07	.07½
7.25	5.85	▼.19	....	Royalite N.	34,388	6.90	7.25	6.85	7.20
.15	.05½	.....	....	Share Oils	15,500	.07	.07½	.07	.07½
.23	.10	▼.01	....	So. Brazeau	4,500	.13½	.14	.13½	.13½
.38	.15	.....	....	Spooner	110	.15	.16	.16	.16
.20	.12	†.01½	....	Sunset	5,000	.18	.18	.17½	.18
.53	.29	.....	....	Superior	35,400	.36	.36	.34	.35
.51	.29	.....	....	Tower P.	106,704	.44	.51	.43	.49
.35	.08	.....	....	Turner V.	500	.15	.15	.15	.15
.17	.08	.....	....	United Oils	4,290	.06½	.10	.08	.08
.30	.18	.....	....	Vanalta	300	.19	.20	.20	.20
.25	.16	.....	....	Vulcan	5	.20	.18	.18	.18
.20	.05	.....	....	Warner	500	.06	.06	.06	.06

* N. Y. funds. ‡ Extra. § Paid in 1947. † Paid in 1948. ▼ Paid or payable in 1949. ‡ Capital Distribution.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Sept. 19	687,900	4,512,000	121,090	186,347	1,640,000
Sept. 17	....	....	....	......	....
Sept. 16	305,100	1,557,000	87,874	64,875	1,480,000
Sept. 15	217,400	875,000	111,452	45,680	1,430,000
Sept. 14	300,900	1,147,000	106,550	38,152	2,030,000
Sept. 13	291,900	1,417,000	67,918	54,033	2,170,000

BUSINESS BAROMETER

	SEPT.	AUG.	JULY	JUNE	Year Ago
GOVERNMENT FINANCE (millions of $)					
■Dom. total expend.	....	147.1	193.8	240.3	138.1
■Dom. total rev.	....	187.8	204.8	191.0	194.9
MERCHANDISING					
■Dept. store sales (3)	+11	+5	+8.7	+6.3	....
■Country store sales (3)	....	....	—3.2	—0.2	....
■Retail store sales (3)	....	....	+5.4	+7.0	....
■Wholesale sales index (1)	....	....	285.2	310.6	283.5
FINANCE					
■Dividend payment index (1) (5)	213.2	212.7	213.5	213.1	202.1
Money supply (millions $)	....	....	4,173	4,187	4,093
NEWSPRINT CAPACITY					
Production ratio (7)	....	....	101.3	102.4	103.1
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S.) (1)	....	223.4	193.6	215.9	193.1
■Cars (D.B.S.) (1)	....	158.4	151.7	156.0	153.0
COST OF LIVING					
D.B.S. (1)	....	162.8	162.1	160.5	157.5
EMPLOYMENT INDEX					
All industries (6)	....	....	198.3	194.3	196.0
■Payrolls (June 1/41=100) (2)	....	....	215.9	208.9	203.0
MANUFACTURING					
Inventories (1947=100)	....	....	....	130.0	122.9
Employment (6)	....	....	207.3	205.1	207.2

	1949	1948	1949 Jan. 1 to date	1948	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Sept. 10)	73.5	76.9	2,637.1	2,721.8	—3.1
C.N.R. gross rev. (July)	41,405	41,801	278,179	270,265	+2.9
C.N.R. net rev. (July)	396	—8,323	1,346	2,783	—41.6
C.P.R. gross rev. (July)	29,251	29,817	204,467	190,647	+7.3
C.P.R. net rev. (July)	1,701	1,763	4,690	1,902	+193.8
IRON AND STEEL PRODUCTION (000's omitted) (June)					
Pig iron production (tons)	194.3	183.8	1,135.1	1,031.7	+10.0
Steel production (tons)	270.5	259.4	1,675.6	1,595.7	+5.0
CONSTRUCTION (000's omitted)					
Contracts awarded (Aug.)	90,655	91,681	708,762	664,512	+6.7
Cement prod., bbls. (June)	1,416	1,211	7,634	6,466	+18.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (July)	1,443	1,787	10,912	12,944	—15.7
Flour exp., bbls. (July)	785	661	5,615	7,196	—22.0
Wheat exp., bush. (July)	19,890	14,154	116,253	72,281	+60.8
Cattle sales (Aug.) (4)	152.0	173.8	997.5	1,009.8	—1.2
Hog sales (Aug.)	230.1	214.3	2,521.4	3,305.5	—23.7
SEA FISHERIES (000,000's omitted)					
Catch lb. (July)	127.5	140.2	597.3	686.0	—12.9
Landed value (July)	7.1	9.0	27.1	30.7	—11.7
NEWSPRINT (000's omitted)					
Production (July) (7)	421	424	3,027	2,863	+5.7
Exports tons (July) (7)	412	410	2,797	2,660	+5.2
MINING AND OILS (000's omitted)					
Coal prod. (tons) (July)	1,100	1,362	10,188	9,944	+2.5
Gold prod. (fine oz.) (June)	344	290	1,964	1,687	+16.4
■Petroleum prod. (bbl.) (June)	1,701	1,038	9,813	5,125	+91.5
ELECTRICAL POWER OUTPUT (000,000's omitted) (July)					
■Total monthly kwh	3,730	3,657	27,192	26,181	+3.9
FOREIGN TRADE (millions of $)					
Imports (June)	250.5	233.0	1,409.4	1,270.2	+11.0
Exports (July)	241.3	250.9	1,665.9	1,651.0	+0.9
FINANCE (millions of $)					
Bank debits (July)	7,017	6,736	48,188	44,762	+7.7
Bond sales (Aug.)	357.7	162.5	2,463.4	2,742.1	—10.1
Life insurance sales (July)	103.5	93.8	736.4	704.5	+4.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (June) (000)	3,249	2,493	18,669	16,261	+14.8
■Cigarette cons. (000,000) (July)	988	972	14,738	13,621	+8.1

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
■New item for week.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 13	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	138.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
June	184.7	210.6	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
1949: Weekly Figures:												
Aug. 4	203.9	223.5	86.5	68.4	203.4	114.3	298.5	138.6	108.8	132.3	116.7	106.8
Aug. 11	209.4	231.8	91.3	69.4	203.9	114.8	307.4	140.3	110.1	133.2	120.1	108.9
Aug. 18	213.3	234.3	91.8	69.5	204.8	115.4	312.6	140.8	112.6	133.6	121.4	109.3
Aug. 25	211.2	232.9	91.2	68.0	206.2	114.0	308.4	140.4	113.1	134.2	119.6	107.8
Sept. 1	210.7	232.2	91.6	68.4	208.4	114.2	307.5	141.0	114.0	134.1	122.2	108.1
Sept. 8	207.8	234.9	91.9	68.7	207.9	116.0	308.6	141.5	115.6	134.5	124.4	108.9
Sept. 15	212.0	239.2	93.5	69.5	208.5	116.3	316.0	143.7	116.7	135.6	125.4	110.4

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Sept. 19	183.63	113.78	102.63	48.78
Sept. 17	......	......	......	......
Sept. 16	182.25	105.07	99.50	48.33
Sept. 15	180.99	103.73	99.31	47.74
Sept. 14	181.79	103.18	100.29	47.40
Sept. 13	180.66	102.49	99.73	47.73
Month ago	178.42	108.92	97.95	44.40
Year ago	175.77	88.55	98.54	39.41
1949 High	183.71	114.63	110.34	58.43
1949 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Sept. 19	73.9	125.3	108.1	324.11	74.40
Sept. 17	....	.....	.....	......	.....
Sept. 16	74.6	126.4	109.2	310.88	69.20
Sept. 15	74.7	125.0	108.2	301.48	67.38
Sept. 14	74.9	125.1	108.4	302.78	67.61
Sept. 13	74.5	123.6	107.2	296.36	67.16
Month ago	72.9	121.9	105.5	289.80	70.50
Year ago	73.2	128.4	110.0	349.58	60.40
1949 High	74.9	132.4	112.9	343.31	74.40
1949 Low	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Sept. 19	181.42	46.63	37.75	64.81
Sept. 17	......	.....	.....	.....
Sept. 16	182.32	47.00	37.90	65.16
Sept. 15	182.16	46.74	37.75	64.99
Sept. 14	183.14	47.05	37.95	65.36
Sept. 13	183.29	47.25	37.98	65.47
Month ago	180.53	46.50	36.80	64.19
Year ago	177.37	58.89	34.49	66.58
1949 High	183.29	54.29	37.98	66.18
1949 Low	161.60	41.03	33.36	57.75

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Sept. 16 Bid	Ask
Amal. Electric	..	7	7	8
Andian Nat.	■.20	4½	5	5½
Assoc. T. & T. A.		17½	..	..
Do. pref.	■1.74	83	..	..
Auto Electric	■.30	5½	4	5
Do. A	.50	6½	7	8
Auto Fabric B	.40	4	3½	4½
Barcelona	..	1.00	1.50	1.90
Bates & Innes	..	..	..	14
Beaver Lum.	1.00+■1.50	25½	25½	26½
Do. A	1.00	17½	17½	18½
Do. pref.	1.40	27½	27½	..
Belding Cort. pf.	7.00	165	160	165
Belgium Glove	.60	9	8	9
Bertram & Sons A	1.00	18	18	19½
Bickle-Seag.	..	2½	2	2½
Biltmore Hats	.40+■.10	6½	6½	9
Blue Ribbon	..	12	13	13½
Blue Top Br. B	■2.00	25	25	35
Bowes Co. A	.50	9	9	9½
Do. B	■1.50	26½	26	30
Brand, Hender	..	10	10	..
Brant, Cord.	.50	9	9	9½
Brant. Roof.	■1.00	16	15	16
Brazilian Tr. pref.	6.00	110	100	..
Bright, T. G.	1.00	23	20	23
B.C. Pulp & Pa. pf	†7.00	146	145	160
Burns & Co. A	1.20+■1.30	25	25½	26½
Butterfly Hose	■.75	10½	10	10½
Caldwell L'n	.80+■.20	12½	13	15
Do. 1st pref.	1.50	29½	30	30
Canada Bread	.10	3½	2½	3½
Do. pref. B	2.50	42	42	50
Can. Cr. Stone	.60+■.10	8½	10½	..
Can. Flooring B	.60	14	..	..
Can. Foils A	.60	10	10½	10½
Can. Forg. A	1.50+■.46	26½	27	28
Do. B	■1.50	40	35	..
Can. Iron	.80	18	16½	19
Do. pref.	.60	15½	14	..
Can. Perman.	8.00	190	189½	194
Can. Safeway pf.	4.50	98½	98½	..
Can. Starch pref.	7.00	95	95	..
C. Varnish 5% pf.	1.25	23	19½	23
Can. Bronze	■1.12½	20	20	..
Do. pref.	5.00	105	100	..
Can. Cel. $1.00 pf.	1.00	20	20½	21
Can. Colliers	■.30	3.20	3.20	3.50
Can. Convert. A.	.75	8	8	12
Do. B	..	10	10	13
Can. Cottons pref.	1.20	26½	..	27½
Can. Dredge	■1.00	20½	21	22
Can. Fairb. pref.	6.00	130	133	..
Can. Fire	.80	19½	19	..
Can. General Elec.	8.00	225	220	..
Can. G. Sec. A	■1.50	50	38½	60
Do. B	■1.50	20	37½	..
Can. Ice Mach.	..	3	2½	5
Do. A	.80	12½	10½	10½
Can. Ingersoll-R.	■3.50	64	..	66½
Can. Int. I. Tr.	..	3½	3½	5
Can. Oil 8% pref.	8.00	147	145	150
Do. 4% pref.	4.00	80	79	82½
Can. Silk	1.50	21	21½	22
Can. Wallpaper A	■1.00	12	12½	16
Do. B	■1.00	15	12½	16
C. Wire Box A	1.50	24	24	24½
Cassidy's	.60+■.15	11	10½	11
Do. pref.	7.00	110	..	132½
Celtic Knit.	.30+■.20	6	6	..
Cent. Can. L'n	8.00	202	201	..
Cent. Nor. Air. A	●	5.00	..	6.00
Do. B	..	2.00	..	2.00
Chart. Trust	■1.50	27½	27½	..
Cinzano A	4½d	1.25	1.00	..
Circle Bar Knit.	..	7	7	9
Do. A	1.00	13	14	16
Claude Neon A	..	..	1.00	7
Cochrane-Dun.	..	8	7	8
Do. A	.80	13½	13½	14
Do. pref.	1.20	24	23½	24
Coll. Terminal	.25	8	7	9
Do. pref.	.25	8	7	9
Cons. Div. Sec. A	..	.35	.40	.60
Do. pref.	1.00	15	15½	..
Cons. Fire Co.	..	5	5	..
Cons. Litho.	2.00	24	..	25
Cons. Textile pref.	1.00	18	18	..
Craig Bit pref.	.50	8½	8½	9
Crain R. L.	.40	6½	6½	7
Cres. Crem. pref.	5.00	60	55	85
Crown Trust	5.00	115	115	117
David & Fr. A	‡1.00	29½	..	..
Do. B	■.25	8	8	..
De Havilland A	..	15	14	20
Disher Steel pref.	1.50	23½	23	24
Dom. Ang. I.	■5.00+5.00	120	102	..
Do. pref.	5.00	95½	99	..
Dom. Dairies	.50	7½	7½	8
Do. pref.	1.75	19½	19½	20
Dom. Fabrics	.80	12	..	11
Do. pref.	3.00	52½	52½	..
Do. 2nd pref.	1.50	21	22	25
Dom. Fire	6.00	100	147	..
Dom. Malting	1.00	25	25	..
Do. pref.	5.00	100½	100½	100½
Dom. Textile pref	7.00	169	170	..
Donnell & Mudge	■.20	5	..	5½
Donohue Bros.	1.00	18½	..	16½
East Koot. Pr.	..	2.00	..	2½
East. Theat.	■1.00	25	22½	..
Easy Washing	■.05+.10	5½	4½	5½
Empire Brass	1.00	19½	19½	20
Esmond Mills	1.00	15½	15½	..
Estabrooks pref.	1.04	21	19	21
Federal Fire	2.00+■.25	51	51	..
Fibre Products pf.	.50	7½	8½	8½
Fisher & B. A	..	..	10½	11
Do. B	..	3½	3½	..
Fittings	..	7½	7½	8
Do. A	.60	12	12	12½
Flash Fast.	..	2½	2	3
Do. pref.	..	15	13	16
Fleury Bissell pf.	1.00	16	..	15½
Ford Motor B	‡1.00	24½	23½	27
Freiman	.60+■.25	9	6	7½
Do. pref.	4.50	86	86	89½
Gen. Products B	1.00	17½	20	..
Do. pref.	5.00	100	100	..
Goodyear Tire	■3.00	84	83	88
Gord. Belyea	2.50	57	..	..
Gord. Mackay B	1.00	19	19	19
Gould Pumps	1.00	*65½	..	..
Grafton & Co. A	1.00	19	18½	19
Grand & Toy	.60	16	16	..
Great West Coal	■1.25	16	16½	16½
Great West Felt	■.60	6	5½	7
Do. pref.	.50	6½	6½	7½
Great West Life	20.00	450	450	..
Growers Wine	..	1.80	..	..
Guaranty Trust	5.00	125	126	130
Hahn Brass	.60+■.20	11	10½	..
Do. pref.	1.00+■.20	20	20	21
Hamilton Cot.	.90	13	13	14
Hendershot Pa. pf	5.00	96	..	91
Hillcrest Coll.	..	.15	.20	.25
Holden Mfg. B	■.10	5	4½	5
Holt Renfrew	..	25	..	..
Do. pref.	..	100	100	101
Horner, F. W. pf.	.50	7	8	9
Ho. De La Salle	..	15	14	..
Hubbard Felt	.50	4	3	5
Do. A pref.	1.50	18	15	18
Humberstone S.	■1.50	21	16½	24
Huron & E. Mt.	5%	114	114	..
Do. 20% pref.	5%	21	20½	21½
Hydro-Electric	■.20	3½	3	3½
Imp. Tobac. 6% pf	6%	6½	6½	6½
Imp. Varnish	1.00	16	15½	16
Do. pref.	1.50	31½	31½	..
In. Accept. 4¼% pf	4.25	84	83	84
Ingersoll M. & T.	.50	7½	7	7½
Inter'c. Coal	■3.00	25	25	27½
Do. pref.	8.00	121	100	121
Int. Coal & Co.	.01½	.20	.18	.29
Int. Mill. pref.	■4.00	101	..	..
Int. Nickel pref.	▲7.00	145	140	..
Int. Paints	..	5½	4	8
Do. pref.	1.20	23	..	23
Jam. Pub. Ser. pf.	7.00	105	..	..
Lambert, Alf.	..	8	8½	9
Langley's	..	1.40	1.40	1.80
Lawson & Jones A	1.00	18½	17	19½
Do. B	..	10½	10½	10½
Legare pref.	*■2.00	22	22	..
Levy Bros.	†.10	4½	5	..
Lindsay, C. W.	..	10	10	..
Do. pref.	*■4.00	115	110	..
Loew's Theatres	4.00	70	70	..
London Can. Inv.	*5.00	70	65	..
London Hose.	.60+■.20	5	5½	6
Do. A	.80	9½	9½	10
Mackin Steel	..	7	7	..
Do. pref.	5.00	90	90	..
Mailman Corp.	1.00	17	16	17
Do. pref.	5.00	93	94	95
Man. Sugar pref.	6.00	100	97	101
M. L. Gardens	.50	13½	14	17
Maple Leaf M.	■.50	9½	9½	10
Maritime Tele.	.80	18½	18	..
Do. pref.	.70	18½	18½	18½
Maxwell Ltd.	.50	7½	7½	7½
McBrine	1.00	17½	17½	17½
McCabe Grain A	.60	9	9	9½
Do. B	.40	7	6½	7½
Melchers	..	5	..	5
Mexican Lt. pref.	..	5	..	..
Mid. Pac. Gr.	1.00	16½	..	16½
Mitchell, J. S.	4.00+■.25	100	100	..
Mitchell, Robt	1.00+■.50	17½	17½	19½
Mod. Tool	..	4	..	4½
Mon. Knit. 4½% pf	4.50	91	85	100
Mon. Life 30% pd.	..	132½	130	..
Monarch Mtge.	■.50	8	7½	8½
Mont. Is. Pr.	..	.20	..	3.50
Mont. Refrig. & S.	■.75	31	29½	..
Do. 1st pref.	1.50	29½	29½	..
Mont. Telegraph	‡■2.00	50½	..	..
Moore Corp. pf 4%	1.00	26½	25½	26½
Morrison Brass	..	3	3	3½
Murphy Paint	.80	22	21	24
Nat. Grocers pref.	1.50	29	28	29
Nat. Hosiery A	.60	15½	17½	..
Neon Pr. of W. C.	.80	13½	13½	..
Nor. Can. Mtge.	■1.50	20	17½	20
Nor. Trusts	■.80	34	..	..
N.S.L. & Pr.	1.00	18½	19½	..
Do. pref.	6.00	110½	111½	..
Ont. Beauty Sup.	†.10	.50	..	1.00
Do. pref.	1.00	21	..	11
Ontario Loan	5.00	123½	123½	125
Ont. Steel pref.	7.00	130	122½	..
Pacific Coyle	..	.65	.60	.70
Paton Mfg.	.80	19	19	..
Do. pref.	1.40	[illegible]	26½	..
Penmans pref.	6.00	142	142	144

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Sept. 16 Bid	Ask
Premier Trust	2.00	55	52½	57
Price Bros. pref.	4.00	96	95½	96
Quebec Telephone	.40	8½	8½	..
Quinte Milk B	■.10	3.00	3.00	..
R. & M. Bear. A	1.10	20	..	19
Regent Knit.	.50	25	24½	..
Do. pref.	1.60	25	..	25
Reitman's	..	15½	..	15½
Do. pref.	1.00	16½	..	..
Reliance Grain	■10.00	16	15½	75
Renold-Cov. A	1.10+.20▲▲	20	..	20
Rivers Mill A	2.00	28½	28½	28½
Do. B	■1.00	13½	12½	15
Roberts'n P.L.	2.00+■.50	42	42	45
Do. pref.	2.50	47½	43½	..
Robinson Cot.	.40+■.10	10	10½	11
Robinson Little	.80	10	9½	9½
Roland Pap.	..	6½	6½	8
Do. pref.	4.25	67	..	..
Russell Ind. pref.	7.00	605	..	..
St. Law. Flour pf.	7.00	143½	143½	150
Scythes & Co.	1.00+■.18	15½	14½	16½
Do. pref.	1.25	25½	25½	..
Sher. Wms. pref.	7.00	135	128½	140
Shirriff's pref.	1.00	20½	20½	..
Sidney Roofing	..	14½	14½	..
Silknit pref.	2.00	32½	32½	35
Silverwoods, W.D. pref.	5.00	86	85½	98½
Simon & Sons	1.20	20	..	20
Do. pref.	5.00	97½	96½	100
Slater N.	1.20+■.30	30	29	30
Do. pref.	2.12	45	44½	50
So. Can. Pr.	1.20	17½	18	..
Sov. Life 25% pd.	1.50	48	47	..
Stand. Clay.	..	16	..	..
Stanley Brock B	.40	4½	4½	6
Sterling Coal	..	9½	..	11
Sterling Trust	6.00	114	114	117
Stowell A pref.	1.50	17	17	..
Do. B	..	3	3	..
Stuart, D.A. pf.	.80+■.60	20½	17	20½
Sun Publishing	■.65	17½	16½	17½
Sup. Pete. com.	2.50	27	..	55
Do. pref.	1.50	62	..	..
Tamblyn pref.	2.00	51	51	55
Taylor Pearson 5% pref.	.50	9½	9½	9½
Theatre Props.	..	..	3	5
Tip Top Can. A	.50	9	..	10
Tip Top Tailors	.60	17	17½	18
Toronto Gen. Tr.	7.00	169	164½	167
Toronto Iron	.60+■.15	10	9½	9½
Tor. Mortgage	5.00	100	100½	..
Trad. Bldg.	1.00+■.20	18½	18	19½
Traders Fin. B	1.50	20	20½	24
Do. 4½% pref.	4.50	90½	91	101
Do. A rights	1.00	20	..	19½
Do. B rights	1.00	14½	15	..
Twin City	..	7	7½	7½
Un. Amuse. A	1.00	30	30	..
Do. B	1.00	28	..	..
Do. A V.T.	1.00	30	30	35
United Distill.	■1.00	25	24	..
United Secs.	..	15	11	15
Viau Ltd. pref.	5.00	101	101	..
Viceroy	.60	10½	10½	12½
Vir. Dare 5% pf.	1.25	19	18	22
Waterous Ltd.	■.70	8½	4	8
Do. A	.80	11	10½	13
West. Grain	..	1.00	1.00	1.25
Do. pref.	..	30	21	24
West. Koot. pref.	7.00	170	170	175
W'minster Pap. A	.30	8.75	..	9.00
Do. B	■.07½	2.50	2.50	3.00
Willson Stat. pref.	5.00	97½	98	100
Wilson, J. C.	.60+■.10	11	11	12
Wood, A. & J. P.	7.00	115	108½	120
Wool, Combing	1.60	19	..	18½
York Knit. B	..	2½	2½	2½

▲Plus extras. ■Paid or payable in 1949. *On arrears. †Paid in 1948. ▲N. Y. funds. ‡Net after income taxes. ●Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ▲▲Participating div. *New stock.

Mining Stocks

	Div. Rate $	Last sale	Sept. 16 Bid	Ask
Alta.	...	.02	.03	..
Amer. Neph.	...	.25	.25	.30
Arno	...	.02½	.02	.03
Band. Ore.	...	.05	.05	.07
Beatrice	...	.04	.03½	.05
Berens River	...	.20	.32	.47
Bouscadillac	...	.04	.04	..
Brazil Gold	...	.04	.02	.03½
Brewis	...	.04	.04½	.06
B.R.X. Con.	...	.07	.06½	..
Bruce Cons.	...	.01½	.01½	.02
Bulolo Gold	▲.50	12.75	12.50	12.87½
Bunker Hill	...	.03½	.03½	.03½
Canusa	...	.14	.12½	.13½
Celta Devel.	...	.05	.02	..
Cent. Manitoba	...	.05½	.06	.07½
Century	...	.05	.05	.07
Coast Copper	...	.90	.70	1.10
Cons. Lebel	...	.07	.07½	.10
Cryderman	...	.01	.00½	.01½
Dickstone C.	...	.03	.02	..
Flin Flon	...	.01½	.01	.01½
Fontana '45	...	.03	.03	.03½
George Copper	...	.06	..	..
Golconda	...	.30	.30	.40
Gold Eagle	...	.04½	.04½	.05
Gold Lake	...	.01	.00½	.03
Goodfish	...	.02½	.02	.03
Grandview	*†.02	.14	.17½	.24
Great Falls	...	.03	.02	.04
Halliwel	...	.02½	.02	.03
Headway	...	.04	.05	.08
Int. Mining	...	4.75	4.75	..
Island Lake	...	.00½	.00½	..
Island Mountain	†.07	1.23	1.12	1.17
Kerr Lake	*†.05	.60	.41	.50
Kootenay B.	...	.18½	.18½	..
Lencourt	...	.04½	.04½	.04½
Lexindin	...	.06	.06	.08
Maralgo	...	.04	.03½	.04½
Marcus Gold	...	.13½	.11	.12½
McGillivray G.	...	.10	..	.12
Mentor Explor.	...	3.25	1.50	2.50
Mosher L. L.	...	.12	.11	.13
N. Louvre	...	.03	.03	.04½
Normandy	...	.02	.01½	.03
North. Empire	†.07	1.65	1.30	2.00
Orlac	...	.08	.08	.09
Packsack	...	.02	.02	.03
Placer Devel.	.50	14.75	14.50	15.50
Privateer	...	.18	.17½	.21½
Proprietary	▲.45	15.50	16.12½	..
Prospectors Air's	...	.70	.50	.80
Quatsino	...	.06½	.06½	..
Red Crest	...	.04	.03	.04
Red Hawk	...	.02½	.02	.03
Reno Gold	...	.04½	.04½	.05½
Rice Lake	...	.01½	.01½	.02
Rochette	...	.07½	.05½	.09
Ryanor	...	.08	.05½	.11
Scotia Gold	...	.00½	.00½	.01
Silver Stand.	...	.24	.23	.30
Soma Duv.	...	.05	.05	.10
S. American G.	*▲.25+.05	1.10	..	..
Star Lake	...	.00½	.00½	.01
Surf. Inlet	...	.06	.05½	.07½
Temiskaming	...	.07	.07	.08½
Tiblemont	...	.10	.02	.08
Toburn Gold	...	.65	.50	.65
Utica	...	.08	.06½	.08½
Vicour	...	.09½	.09	.10
Villbona	...	.02½	.02½	.04
Wellington	...	.01½	.01	.02½
Winora	...	.06½	.04½	.06½
Ymir Girl	...	.04	.03½	.04
Yukon Cons.	1.00	.66	.60	.67
—OIL STOCKS—				
Acme Gas & Oil	...	.05	.05½	.07
Admiral	...	.04½	.04	.06
Command	...	.20	.20	..
Commoil	▲.01	.35	.35	.37
Federated P.	†.03	.30	.40	..
Lowery	...	.45	.45	.50
McLeod	...	.04½	..	..
Nordon	...	.10	.09½	.12
Oil Selections	...	.03½	.03½	.04½
Petrol Oil	▲.03	.15	.14	..
Royal Crest	...	.05	.04	..
So. West Pets.	...	.20	.21	..
Three Point	...	.06	.08	..
Texas Can.	▲‡1.85	.40	.50	.90
Vul. Brown	...	.15	.12½	.19
Wellington	...	.04	.05½	.08
York Oils	...	.09	.07	.09

▲Paid or payable in 1949. †Paid in 1948. ‡Paid in 1947. *N. Y. funds. ⁄Capital distribution.

Government Bonds

(Supplied by Investment Dealers Assoc. of Canada)

Sept. 20, 1949

%	Due	Bid	Ask
Victory Loans:			
[illegible]	June 1951	†101½	102¼
[illegible]	Mar. 1954	†103½	103¾
[illegible]	Nov. 1956	†103½	103¾
[illegible]	May 1957	102½	102¾
[illegible]	Jan. 1959	102½	102¾
[illegible]	June 1960	102	102¼
[illegible]	Feb. 1962	101½	101¾
[illegible]	Nov. 1950	100	100½
[illegible]	Oct. 1963	101½	102¼
[illegible]	Sept. 1966	101½	102¼
[illegible]	Nov. 1949	100	100¼
Dom. of Canada Bonds:			
3	June 1958	102	102½
3	Feb. 1952	102½	102¾
[illegible]	Oct. 1952	100½	100¾
3	June 1955	100½	101½
4½	Nov. 1959	100½	101½
3	June 1966	103½	103¾
3	Perpetual	†100½	101½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101½	102
4½	Sept. 1951	*115	116½
4½	Feb. 1956	*123½	126
4½	July 1957	*126	128½
5	Oct. 1969	*115	116½
5	Feb. 1954	110	111
5	Feb. 1970	*116	117½
4½	June 1955	*123	126
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	*124	126
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*111	114
4	Jan. 1962	*122	124½

%	Due	Bid	Ask
Montreal Harbour Comm.:			
5	Nov. 1969	*114	116½
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64	100½	102
3½	June 1959	106	107
3½	June 1956/71	100½	102
3½	June 1966/72	*109½	111
British Columbia:			
3½	Jan. 1967	93½	95½
4½	Jan. 1960	*122	124
5	Apr. 1954	*121	123½
[illegible]	Sept. 1953	[illegible]	[illegible]
[illegible]	Dec. 1960	[illegible]	[illegible]
4	Dec. 1957	*119	121
Manitoba:			
4	Dec. 1957	*118½	121½
4½	Dec. 1956	*122	124½
5	Dec. [illegible]	*123½	125½
3½	Aug. 1953/64	93½	96
[illegible]	July 1954	116½	118½
New Brunswick:			
4½	Apr. [illegible]	*121½	123½
4½	Jan. [illegible]	*124½	126½
3½	June [illegible]	89½	91½
3½	Oct. [illegible]	97½	98½
Nova Scotia:			
3½	June [illegible]	100½	102½
[illegible]	Nov. [illegible]	*123½	127½
[illegible]	Mar. [illegible]	*129	131
[illegible]	June [illegible]	99½	101½
[illegible]	Sept. [illegible]	93½	95½
[illegible]	May [illegible]	100½	101½

%	Due	Bid	Ask
Ontario:			
3	Nov. 1961/69	94½	96
3	Apr. 1961/62	99½	100½
3	May 1961/65	102	103
4	June 1962	*124½	126½
4½	June 1950	101	102
4½	Jan. 1962	*129	130½
5	Dec. 1960	*122	124
3½	July 1957/76	93	95½
Ont. Hydro Commission:			
4	Aug. 1957	*118½	121½
3	June 1961/71	94	95½
3	Oct. 1965/68	94½	95½
Prince Edward Island:			
4	Mar. 1951/54	101	102½
Quebec:			
3	Mar. 1954/59	102½	104½
3	Feb. 1952/53	103½	104
4½	Aug. 1958	108½	110
4½	Jan. 1963	113½	115
3	Feb. 1960/62	99	100½
4	Nov. 1950/52	101½	103½
Quebec Hydro Commission:			
3	Feb. 1960/73	97½	99½
Saskatchewan:			
4	Nov. 1953/60	99	100½
5	Aug. 1958	105½	107½
4½	Mar. 1960	*113½	115½
5½	Oct. 1952	104½	106
6	Mar. 1952	104½	106½
5	Dec. 1959	*117	119
3	Mar. 1963	91½	93½
3½	Nov. 1960/62	92	94½
3½	Feb. 1961/63	97	99½

*Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1954. ‡Payable Can. or N.Y.
•Payable Can., N.Y. or L. ·Callable at a premium.

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. and Intercity Securities Ltd.)

Sept. 19, 1949

	Bid	Ask.
Allens Toronto units	[illegible]	....
Anglo Can. Telephone A	9.50	10.25
Do. pfd.	43.50	44.30
Beauharnois L. H. & Pr.	20.00	21.50
Beauharnois Power	1.00	3.00
Brinton Peterboro Carpet	[illegible]	....
British Mtge. & Trust	[illegible]	....
B. C. Sugar	[illegible]	60.00
Brockville Trust $50 par	[illegible]	....
Can. General Invest.	14.50	15.75
Can. Invest. Fund	4.90	5.10
Can. Investors Corp.	7.75	8.75
Can. Motor Lamp A	11.75	13.75
Can. West. Nat. Gas pfd.	18.00	19.50
Capital Wire Cloth com.	13.00	....
Do. pfd.	25.00	....
Cawthra Apts. units	15.00	....
Chase, A. W. units	53.00	56.00
Colonial Steamships com.	115.00	122.00
Commercial Finance com.	17.50	....
Commercial Life 10% pd.	9.00	....
Commonwealth Inter. Corp.	3.35	3.60
Confed. Life 40% pd.	195.00	....
Cons. Div. St. Sec. pfd.	15.00	16.50
Continental Life 20% pd.	44.00	....
Cooksville A	....	11.50
Do. B	....	5.50
Corporate Investors	7.99	8.65
Cuban Can. Sugar	5.00	5.50
Detroit Internat. Bridge	16.75	18.00
Dover Industries Ltd.	10.00	11.00
Dunlop Tire pfd.	24.50	26.50
Dupuis Freres pfd.	23.50	25.00
Empire Life Ins. 25% paid	17.00	19.00
Excelsior Life Ins. 20% pd.	14.50	....
Foreign Power Co.	5.00	7.00
Galt Brass com.	29.00	33.00
Goderich Elevator	16.00	18.00
Great West Life	415.00	440.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. Amer.	385.00	415.00
Guelph & Ont. Svgs. $50 par	61.00	....

	Bid	Ask.
Gurney Foundry com.	45.00	....
Halifax Insurance	9.00	10.50
Hart Battery com.	8.50	10.00
Imperial Life	340.00	[illegible]
Lambton Loan $50 par	60.00	65.00
Laprairie com.	2.00	4.00
Do. pfd.	80.00	90.00
Loblaw Groc. Inc.	20.00	....
Manufact. Life Ins.	340.00	360.00
Monarch Life 40% pd.	125.00	....
Mortgage Discount units	2.25	....
Mountainview Apts. pfd.	24.50	....
Nat. Drug & Chem. com. N.	7.50	8.50
Do. pfd. new	10.50	12.00
New Brunswick Telephone	11.50	12.50
Northern Tel. com.	1.50	2.00
Ont. & Que. Rly. 5% c. stks.	145.00	....
Ont. Tobacco Hold. pfd.	5.50	....
Peller Brewing com.	2.00	2.75
Do. pfd.	15.00	18.00
Provincial Bank of Canada	15.75	16.75
Prudential Trust	11.00	....
Ritchie Cut Stone pfd.	7.50	8.50
Sawyer Massey com.	2.75	3.50
Sec. Stand. Royalties pfd.	.04	....
Seiberling Rubber com.	5.00	7.00
Sincennes McNaught. Line	2.00	3.00
Sherbrooke Trust	135.00	....
Sovereign Life 25% paid	47.00	....
Standard Fuel pfd.	35.00	38.00
Do. com.	2.50	4.00
Sun Life Assce.	500.00	515.00
Thayers Ltd. pfd.	55.00	....
Do. com.	8.00	....
Third Can. Gen. Inv.	3.55	4.00
Toronto General Ins.	6.00	....
United Farmers Co-op.	2.00	....
United Steel A pfd.	23.50	25.00
Victoria Trust & Svgs.	135.00	....
Waterloo Manufac. com.	6.00	7.00
Western Grain pfd.	21.00	23.00

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Sept. 20, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask.	Prev. Week Bid
aAlg. Cen. H.B.R.	5	'59	81	85	79
Bell Telephone	3	'77	97½	100	97½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dom. Woolens	[illegible]	'61	100½	[illegible]	[illegible]
Dryden Paper	4	'66	98½	101½	98½
E. B. Eddy	3½	'66	102	...	102
E. B. Eddy	4	'67	95½	98½	95½
English Elec.	4	'64	97½	100½	97½
Federal Grain	4	[illegible]	99½	...	99½
Gt. Lakes Pap.	3½	'67	96	...	96
Imp. Tobacco	2½	'66	97	...	97
Indust. Accept.	3½	'61	101½	104	101½
Lake St. J. P.	5	'62	101	...	101
Lang, John A.	4½	'67	99	...	99
Laurentian Silk	4½	[illegible]	[illegible]	[illegible]	[illegible]
MacMillan (H. R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	96½
Massey-Harris	3	'66	95	...	95
Do.	4½	'63	101	103½	101
McColl-Front.	3	'71	94½	97½	94½
Mercury Mills	4	'63	98	...	98½
Monarch Knit.	4	'66	100	...	100½
Morgan (Henry) Prop.	3½	'67	99½	...	99½
N.S. Steel Coal	3½	'63	98	100½	98
Penman's	3½	'66	99	102	99½
Price Bros.	3½	'66	100½	103	100½
Silv. Dairies	4	'60-64	97	100	98
Do.	4	'71	86	90	87½
Simpsons Ltd.	3½	'60	101	104	101
Stl. Co. of Can.	2½	'67	94½	97½	94½
Tor. Elevators	3½	'66	98	...	98
United Corp.	4	'58	100	...	100
United Steel	4	'60	98½	101½	98½
Un. Grain. Gr.	4	'63	100	...	100
†Western Grain	5	'63	84½	87½	84½
York Knit. Mills	3½	'71	89	92	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
·Payable in United States.
‡Payable in Canada only.
aPayable in Canada or U. K.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada—Treasury Bills, due Dec. 9, 1949, $75,000,000. Issued Sept. 8, 1949. Offered at $99.67378 to yield .511%.

MUNICIPAL

City of Port Moody, B.C.—4%, due Aug. 1, 1950-69, $83,000, issued Aug. 15, 1949. Sold at $97 to J. L. Graham & Co. and Pemberton & Son, Vancouver.

Village of Ripley, Ont.—3¼%, due Sept. 15, 1950-[illegible], $30,000, issued Aug. 22, 1949. Sold at $97.787 to Midland Securities.

Town of Buckingham, Que. — 3%, due Aug. 1, 1950-69, $200,000, issued Sept. 6, 1949. Sold at $96.45 to A. E. Ames & Co.

City of Granby, Que.—2¾% and 3%, due June 15, 1950-59, and 1960-69, $463,500, issued Sept. 6, 1949. Sold at $97.72 to Dominion Securities Corp., A. E. Ames & Co. and Canadian Bank of Commerce.

R. C. Sch. Comm. of City of Lachine, Que.—3% and 3¼%, due Aug. 1, 1950-59 and 1960-69, $325,000, issued Sept. 6, 1949. Sold at $98.39 to A. E. Ames & Co.

R. C. Sch. Comm. of Town of LaSalle, Que.—3% and 3½%, due May 1, 1950-64 and 1965-69, $170,000, issued Sept. 6, 1949. Sold at $98.13 to A. E. Ames & Co.

Town of Leaside, Ont.—3%, due Oct. 1, 1950-69, $257,900, issued Sept. 6, 1949. Sold at $97.077 to J. L. Graham & Co. and Fairclough & Co.

Town of Tillsonburg, Ont. — 3% and 3½%, due Sept. 15, 1950-59 and 1960-69, $373,000, issued Sept. 6, 1949. Sold at $100.252 to Bankers Bond Corp., J. L. Graham & Co., Goulding, Rose & Co. and Harrison & Co.

Sch. Comm. of St. Gabriel-de-Brandon, Que.—3%, due Oct. 1, 1950-64, $150,000, issued Sept. 7, 1949. Sold at $97.39 to Credit Interprovincial.

Sch. Comm. of St. Simon-de-Drummond, Que.—3½%, due July 1, 1950-69, $205,500, issued Sept. 7, 1949. Sold at $96 to McNeil, Mantha Inc.

Village of McMasterville, Que. — 3¼% and 3½%, due June 1, 1950-59 and 1960-69, $47,000, issued Sept. 8, 1949. Sold at $99.12 to A. E. Ames & Co.

Sch. Comm. of Parish of St. Henri-de-Levis, Que.—3%, 3¼% and 3½%, due Aug. 1, 1950-55, 1956-60 and 1961-69, $135,000, issued Sept. 8, 1949. Sold at $98.05 to L. G. Beaubien & Co.

City of Belleville, Ont.—3¼%, due Sept. 15, 1950-69, $323,000, issued Sept. 15, 1949. Sold at $101.10 to James Richardson & Sons.

Greater Vancouver Water District, B.C.—3%, 3¼% and 3½%, due Sept. 15, 1951-59, 1960-69 and 1970-74, $1,500,000, dated Sept. 15, 1949. Sold at $98.688 to Dominion Securities Corp., Wood, Gundy & Co., A. E. Ames & Co. and Royal Bank of Canada.

Village of St.-Guillaume, Que. — 3½%, due June 1, 1950-64, $19,500, issued Sept. 12, 1949. Sold at $100 privately.

City of Thetford Mines, Que.—3%, due Sept. 1, 1950-69, $15,000, issued Sept. 12, 1949. Sold at $100 privately.

Village of Tring-Jonction, Que.—3% and 3½%, due Mar. 1, 1950-59 and 1960-69, $20,000,000, issued Sept. 12, 1949. Sold at $99 50 privately.

Sch. Comm. of Ste. Foy, Que.—3½%, due Sept. 1, 1950-69, $15,000,000, issued Sept. 12, 1949. Sold at $98 privately.

La Petite-Riviere, Que.—3¼%, due Apr. 1, 1950-64, $15,000, issued Sept. 12, 1949. Sold at $98 and $100, privately.

Les Frères des Écoles Chrétiennes de Quebec—3% and 3½%, due Sept. 1, 1950-54 and 1955-64, $150,000, dated Sept. 1, 1949. Offered at $100 by Clément, Guimont Inc.

Company Meetings

1949 Company	Place
Sept. 23—Power Corp.	Montreal
Sept. 27—Can. Packers	Toronto
Sept. 27—Can. Wirebound	Toronto
Sept. 28—Can. Coll.	Vancouver
Sept. 30—Celta. Dev. & Min.	Montreal
Oct. 20—Coast Brew.	Vancouver
Oct. 28—Cal. & Ed. Oil	Winnipeg

Bond Tenders

12 noon, Sept. 22, 1949. Canada Treasury Bills—$75,000,000, dated Sept. 22, 1949. Payable Dec. 23, 1949.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.50	$20.25	$21.69
Hogs	29.60	29.60	32.60
Copper, lb.	.17⅝	.17⅝	.23½
Sugar, raw, lb.	.0550	.0545	.0515
Coffee, lb.	.31	.28½	.26⅛
Hides	.25	.24	.26½
Weekly Indices			
U. S. Labor	154.6	152.7	169.9
Dow Jones	129.70	129.50	142.14
Fisher's	162.3	161.3	174.9
Monthly Indices			
Retail (Aug.)†	162.8	162.1	157.5
U. S. (May)	155.7	156.8	163.9
Gt. Brit. (June)	231.8	231.3	222.1

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Sept. 20, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	97½	99½	3.78
Vancouver	3	'67	90¼	92¼	3.58
Calgary	3½	'62	98	100	3.50
Edmonton	3½	'60	98	100	3.50
Regina	3	'64	90½	92½	3.65
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	2¾	'66	93	95¼	3.11
Ottawa	3	'54	101¼	103½	3.23
Toronto	2¾	'72	93	96	3.00
Hamilton	3	'60	99	101	2.90
Windsor	2½	'73	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'73	88	91	4.05
Montreal	3	'70	90	93	3.47
Quebec	2¾	'68	90	93	3.29
Halifax	3	'66	92	95	3.39
Saint John	3½	'68	98	101	3.43

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
aAlgoma Cent. Term. 1st mtge. D.S. & bds.	5%	1959	Dec. 31	125
aCandn. Nat. Rly.	5%	1969	Oct. 1	105
aCandn. Nat. Rly.	5%	1970	Feb. 1	105
*L. St. John P. & P. 1st mtge. bds. ser. B	3½%	1961	Oct. 17	100
*Candn. Nat. Rly.	5%	1969	Oct. 1	105
*Candn. Nat. Rly.	5%	1970	Feb. 1	105
§Mari. Elec. 1st mtge. bds.	4½%	1956	Oct. 1	101
*Mari. Elec. gen. mtge. bds.	5½%	1956	Oct. 1	101
‡Nat. Lt. & Pr. 1st mtge. ser. C	4½%	1961	Sep. 21	call.
aNfld. Lt. & Pwr. gen. mtge. bds.	5%	1956	Oct. 1	101

*$200,000. a$25,000. §$16,000. ‡$37,400,000. *In part. aAll o/s.

Investment Trust

	Bid	Asked
Affiliated Funds	3.69	4.04
Can. Int. Trust	4.90	5.23
Can. Invest. Fund	4.65	5.10
Can. Invest. Corp.	7.75	8.75
Corporate Invest.	7.99	8.65
Commonwealth Int.	3.41	3.75
Trans-Canada	13.80	....
Do. B	....	14.25

Market Comment

What stocks and bonds are doing and what prominent observers say

Just when the market was successfully shaking off the disruptive effects of wide-spread currency devaluations, along cames a turn for the worse in U. S. coal and steel labor negotiations. At midweek industrial stock prices were sagging under a fairly heavy deluge of selling orders. Retreat was orderly, however, and the market gave promise of quick about-turn in the event of satisfactory settlement.

Gold traders were still groggy after one of the wildest market splurges since war's end. When speculators stopped to balance off the 10% devaluation gift against possible changes in the gold bonus, they weren't so happy. Some mines would be worse off, many would end up about the same. The senior producers stood to gain the most.

Definite casualties of the currency juggle were Brazilian Traction and C. P. R. Both suffered heavily at the hands of U. K. shareholders who wanted to cash in on devaluation profits. Paper and base metal stocks were managing to hold a good part of their gains.

Now devaluation no longer looms as an anticipatory market factor. One by one, the big postwar market hurdles are being left behind. Though new ones rise to take their place, they are usually of a more transitory nature and the type associated with return to more normal trading conditions.

* * *

M. A. MOYSEY; Hevener & Co. (Toronto)

Anyone daring to comment on the market in these days of government edicts is brave indeed. It would appear that the era when market prices could be estimated from general economic trends is gone forever. The added uncertainty of wondering how long the time lapse will be between economic pressure and the resultant political action on controlled prices is making life for the investor very difficult, to say the least.

Beyond any doubt, the devaluation of the pound is a long step toward final stability in trade between the old world and the new. To this must be added greater efficiency of production in England and a willingness on the part of the United States to let European goods in over her tariff walls. Were this to happen we would have real reason for optimism.

Current market action revolves around the gold stocks, apparently on the general assumption that the devaluation of the Canadian dollar is going to mean increased income for these companies. Personally I feel that a great deal of caution should be shown here. Mining expenses are bound to go up too—maybe not right away, but soon. A tremendous amount of the machinery and other equipment used in the mines comes from the States, and this is now more expensive to buy in Canadian dollars. Our cost of living, being large importers from the States, is bound to rise and will undoubtedly be followed by increased wage demands from labor. At the time of writing, there is no indication as to the government's attitude toward the gold bonus. Many mines are now receiving much more per ounce of gold from this source (up to $16 per ounce bonus) than the 10% increase devaluation is giving them. A revision downward of this act could result in many mines being worse off, than before. Finally, the gold index has been rising for some time in an attempt to discount the present news.

The base metal stocks seem to be in somewhat better position as their prosperity does not depend on a government subsidy and they can get full benefit from the short term advantages of devaluation—unless the States put up tariff barriers, which, we hope, is unlikely.

The paper companies are even better placed than the base metals as the United States are so greatly dependent on these for their paper supply and the possibilities of tariff action seem very remote.

The action of some other industrials held largely in England, such as Brazilian and C.P.R. will depend on the Englishman's willingness to take the profit (in pounds) which devaluation has given him.

* * *

GORDON R. BONGARD: Bongard & Co. (Toronto)

The long expected devaluation of the English pound has now taken place. The drastic cut — more than 30%—is larger than was generally anticipated. Subsequently, the Dominion Government announced a 10% reduction in the value of the Canadian dollar. In some quarters this change of rate may have been less than expected and somewhat disappointing.

As a result of these events, the Canadian investor undoubtedly is making a close study of each industry, to see how it is likely to be affected. Among those that should be favorably affected are golds, paper shares, and base metals, such shares having been in an upward trend for the past several months, probably discounting what has now taken place. In the case of the golds, there is still some uncertainty, as it is not yet known whether the Canadian Government is going to retain the Emergency Gold Mining Assistance Act.

Among the industries unfavorably affected are those that purchase a considerable amount of their raw materials in the United States. It is also likely that industries such as the Textile will have to meet much stiffer competition as a result of the devaluation of the pound sterling and perhaps be adversely affected.

Most of the other countries in the sterling block have followed the lead of the pound and devalued their currencies. This, undoubtedly, will have world-wide repercussions. We feel it is likely that markets will have a mixed trend in the immediate future, until these events are thoroughly evaluated by the investor.

* * *

KIPPEN & CO. (Montreal)

The more realistic values set on many world currencies in the last few days, as a result of the drastic devaluation of the pound sterling, will prove beneficial to international trade.

It would appear that these steps are perhaps only the first of a series of steps that will have to be taken on the road back to reality. Both the American and Canadian market took these unusual developments in their stride.

The fixing of the Canadian dollar at a 10% discount on the American dollar puts Canada in the same relative position as she was in 1946.

It is a bit too early yet to appraise all the implications of these moves but on balance they should be quite favorable to the Canadian economy.

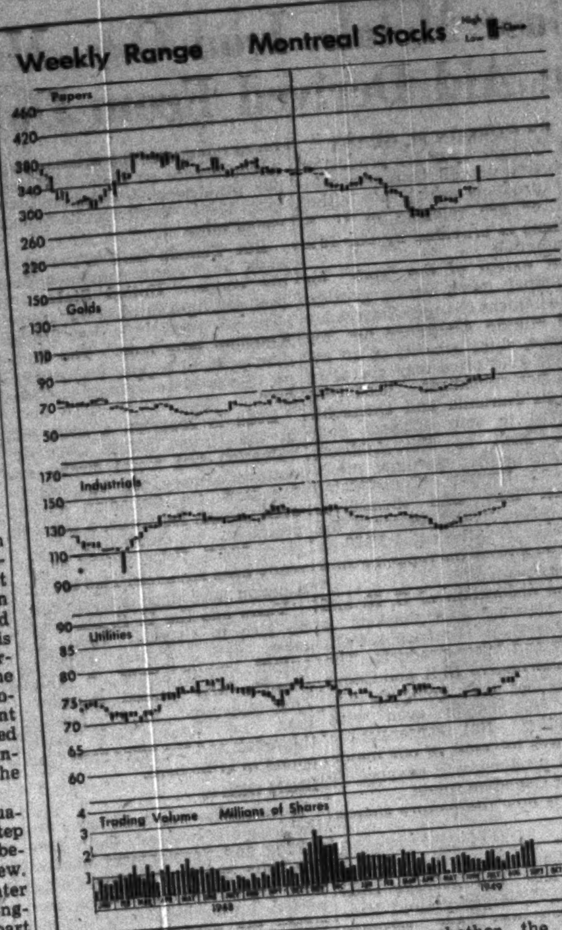
In view of these recent developments, it would not be surprising to see stronger and more active markets; confidence and sentiment have been much improved.

* * *

BARRON'S: The Trader (New York)

Upturn in business that began in late July and gained amazing momentum just before and after Labor Day has actually forced return in some instances to a policy of allocations which would hardly have been deemed credible two months ago. In steel, for instance, orders for cold-rolled sheets have become so heavy that despite record shipments of the past few weeks, it has been necessary to adopt the same quota system that prevailed during the worst of the postwar steel shortage.

* * *



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	Oct. 1	Sep. 1
Do. pfd.	.37½	Oct. 1	Sep. 1
Acadia Atlantic A	.25	Oct. 1	Sep. 10
Agnew Surpass	.15	Dec. 1	Oct. 31
Aluminum pfd.	.15	Dec. 1	Nov. 2
Amer. Cyanamid	†.37½	Oct. 1	Sep. 2
Do. pfd.	†.87½	Oct. 1	Sep. 2
Asbestos Corp.	.30	Sep. 30	Sep. 8
Ashdown Hdwre. A	.15	Oct. 1	Sep. 10
Do. B	.40	Oct. 1	Sep. 10
Auto Fabric A	.15	Oct. 1	Sep. 15
Do. B	.10	Oct. 1	Sep. 15
Bank N. Scotia	.30	Nov. 1	Sep. 30
Beatty Bros.	.25	Oct. 1	Sep. 15
Beaver Lumber A	.25	Oct. 1	Sep. 10
Do. pfd.	.35	Oct. 1	Sep. 10
Beld.-Cort.	1.50	Oct. 1	Aug. 31
Do. pfd.	1.75	Oct. 1	Aug. 31
Belg. Glove	.15	Oct. 1	Sep. 15
Do. pfd.	.25	Oct. 1	Sep. 15
Bell Tel.	.50	Oct. 15	Sep. 23
Blue Top Br. B	1.00	Sep. 30	Sep. 23
Bralorne M.	.10	Oct. 15	Sep. 20
[illegible]	[illegible]	[illegible]	[illegible]

Dividends Declared (con.)

	This payment $	Date payable	Date of record
H. R. Macmillan A	.12½	Sep. 30	Sep. 9
Do. B	.12½+.10	Sep. 30	Sep. 9
Mailman Corp.	.25	Sep. 30	Sep. 15
Man. Sugar pfd.	3.00	Oct. 1	Sep. 15
Maritime Tel.	.20	Oct. 15	Sep. 20
Do. pfd.	.17½	Oct. 15	Sep. 20
Mercury Mills	.15	Nov. 1	Oct. 15
Mersey Paper	.50	Oct. 1	Sep. 10
Do. pfd.	1.12½	Oct. 1	Sep. 10
J. S. Mitchell	1.00+.25	Oct. 1	Sept. 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Modern Cont. A	.25	Oct. 3	Sep. 20
Molsons Brew.	.25+.25	Sep. 27	Sep. 6
Monarch Knit.	.25	Oct. 1	Aug. 31
Do. pfd.	1.12½	Oct. 1	Aug. 31
Mtl. Locomotive	.40	Oct. 1	Sep. 17
Mtl. Telegraph	.50	Oct. 15	Sep. 15
Moore Corp.	.75	Oct. 1	Aug. 31
Do. A & B pfd.	†1.75	Oct. 1	Aug. 31
Do. 4% pf.	.25	Oct. 1	Aug. 31
Nat. Biscuit	†.40	Oct. 14	Sept. 9
Nat. Brew.	.50	Oct. 1	Sep. 9
Do. pfd.	.44	Oct. 1	Sep. 9
Nat. Grocers	.15	Oct. 1	Sep. 15
Do. pfd.	.37½	Oct. 1	Sep. 15
Nat. Hose. A	.15	Oct. 1	Sep. 2
Do. B	.30	Oct. 1	Sep. 2
Nat. Steel Car	.37½	Oct. 15	Sep. 15
Nat. Trust	.25	Oct. 1	Sep. 15
New Eng. Elec.	†.20	Oct. 1	Sep. 21
Nfld. Lt. & Pwr.	.25	Sep. 25	Sep. 1
Niagara W. W.	.40	Sep. 30	Aug. 30
Normetal M.	.10	Sep. 30	Sep. 2
North Star Oil pfd.	.08½	Oct. 1	Sep. 15
N. S. Lt. & Pwr. ord.	.25	Oct. 1	Sep 7
Oglivie Flour	.25	Oct. 1	Aug. 25
Obsco pf.	.25	Oct. 2	Sep. 20
Ont. Loan & Deb.	1.25	Oct. 1	Sep. 15
Ont. Steel	.50	Nov. 15	Oct. 14
Do. pfd.	1.75	Nov. 15	Oct. 14
Ott. Lt. Ht. & Pwr.	.15	Oct. 1	Sep. 14
Do. pfd.	1.25	Oct. 1	Sep. 14
Page-Hersey	.45	Oct. 1	Sep. 15
Peller Brew.	.68½	Oct. 6	Sep. 15
Power Corp. 1st pfd.	1.50	Oct. 15	Sep. 20
Do. 2nd pfd.	.75	Oct. 15	Sep. 20
Pressed Met.	†.25	Dec. 1	Nov. 10
Preston E. D. M.	.01½	Oct. 15	Sep. 15
Proprietary M.	.15	Sep. 28	Aug. 31
Que. Man. M.	.02	Oct. 1	Sep. 9
R. & M. Bearings A	.27	Oct. 1	Sep. 15
Regent Knit.	.25	Oct. 15	Sep. 20
Do. pfd.	.40	Dec. 1	Nov. 15
Remington Rand	†.25	Oct. 1	Sept. 9
Do. pfd.	†1.12½	Oct. 1	Sept. 9
Renfrew Text. A	.15	Oct. 1	Sep. 10
Riverside Silk A	.50	Oct. 1	Sep. 13
P. L. Robertson Mfg.	.50	Oct. 1	Sep. 20
Do. pfd.	.62½	Oct. 1	Sep. 20
Robinson Cot.	.10+.10	Nov. 1	Oct. 3
Russell Ind.	.20	Sep. 30	Sep. 9
Do. 7% pfd.	1.75	Sep. 30	Sep. 9
Sag. Pwr. pfd.	1.07	Oct. 1	Sep. 9
St. Law. Flour	.40	Nov. 1	Sep. 30
Do. pfd.	1.75	Nov. 1	Sep. 30
Sangamo	.17½	Sep. 26	Sep. 22
Saudi-Arabian M.	†.15	Oct. 31	Sep. 23
Shaw. W. & Pwr. Cl. A pfd.	.50	Oct. 3	Sep. 2
Sheep Creek G. M.	.02	Oct. 15	Sep. 30
Sherwin Wms.	.20	Nov. 1	Oct. 10
Do. pfd.	1.75	Oct. 1	Sep. 14
Sick's Brew.	.25	Sep. 30	Aug. 30
Silverwood Dair. A	.15	Oct. 1	Sep. 7
Do. B	.15	Oct. 1	Sep. 7
Silverw'd, W. D. pf.	1.25	Oct. 1	Sep. 7
N. Slater	.30	Nov. 1	Oct. 10
Do. pfd.	.53	Oct. 15	Oct. 3
S. A. G. & Plat.	†.12½+.05	Oct. 31	Sep. 21
So. Can. Pwr.	.30	Nov. 15	Oct. 20
Stand. Fuel 4½%-pfd.	.56½	Nov. 1	Oct. 15
Do. pfd.	1.50	Oct. 15	Sep. 20
Stand. Pav.	.50	Oct. 1	Sep. 15
Do. pfd.	.62½+.12½	Oct. 1	Sep. 15
Stan. Brock A	.15	Nov. 1	Oct. 10
Do. B	.10	Nov. 1	Oct. 10
Stedman Bros.	.20	Oct. 1	Sep. 15
Sterling Trusts	1.50	Oct. 1	Sep. 15
Sullivan M.	.04	Oct. 25	Sep. 26
Sun Life Ass.	5.00	Oct. 1	Sep. 15
Super Serv. 4½% pf.	.11¼	Dec. 15	Nov. 22
Sylvanite G. M.	.01½	Oct. 1	Aug. 12
Tamblyn Ltd.	.25+.05	Oct. 1	Sep. 9
Do. pfd.	.50	Oct. 1	Sep. 9
Teck-Hughes G. M.	.05	Oct. 1	Aug. 17
Thrift Stores	.25	Oct. 1	Sep. 16
Tip Top Canners A	.25	Oct. 1	Sep. 20
Tip Top Tailors	.15	Oct. 1	Sep. 1
Tooke Bros.	.10	Oct. 3	Sep. 15
Tor. Gen. Trusts	1.75	Oct. 1	Sep. 9
Tor. Iron	.15	Oct. 1	Sep. 15
Do. A	.15	Oct. 1	Sep. 15
Tor. Mtge.	1.25	Oct. 1	Sep. 15
Traders Fin. A & B	.37½	Oct. 1	Sep. 15
Do. pfd.	1.12½	Oct. 1	Sep. 15
United Fuel A pf.	.75	Oct. 3	Sep. 9
United Steel	.15	Sep. 30	Sep. 15
Verney Corp. pfd.	.56	Oct. 1	Sep. 15
Viau Ltd.	.25	Oct. 1	Sep. 20
Do. pfd.	1.25	Oct. 1	Sep. 20
Victoria Trust	1.50	Oct. 1	Sep. 15
Wabasso	.25	Oct. 1	Sep. 10
Waite Amulet M.	.30	Sep. 30	Aug. 10
Waterous	.10	Oct. 14	Sep. 30
Western Groc. A	.50	Oct. 15	Sep. 15
Do. pfd.	.35	Oct. 15	Sep. 15
Geo. Weston	.25	Oct. 1	Sep. 9
Wilsil Ltd.	.25	Oct. 1	Sep. 1
Woods Mfg.	.50	Sep. 30	Aug. 31
Wool Combing	.40	Oct. 10	Sep. 23
Wright-Harg. M.	.04	Oct. 1	Aug. 26

*Initial.
†American funds.
‡On redemption June 1, Sept. 30.
aNew common.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., Sept. 19, subject to confirmation and changes:

	Bid	Ask
Abenakis	3	5
Advance	4	5
Alexander	3	5
Aljo	1½	2½
Ama Kir	6½	8
Anna'que	1½	2½
Arctic	5	7
Argonaut	2	2½
Ascot M	63	65
Audley	1½	3
Auterra	1	3
Baker	1	2
Barb L N	2	4
Beaulieu	2½	3½
Beauriv	3½	5
Bi Ore	17	22
Birroco	15½	17
Blondor	1½	3
Bouzan	7½	8½
Bour C	2	3
Bradnor	3	5
Braminco	17	..
Br Breest	3	5
Bravo	1½	3
Bright R L	2	3
B McDade	10	12
Bulldor	..	28
Burley Po	1½	3
Camlaren	5	7
Camray	29	32
Captain	2	4
Carricona	1	2
Cassidy	2	3
Cent M	6½	8
Cock R L	1½	2½
Columbier	1	2
Con Chib	27	31
Con Cop	8	9
Courageo	1½	3
Craibbe	5	7
Croydon	1½	3
Cuyuni N	35	40
Delhi	5	10
Derlac	1½	2½
De Sant	2	4
Dickenson	23	26
do N	69	72
Dom Mal	1	2
Dona Pat	1	2
Doris	5	6
Durham	8½	10½
Echo Ind	3	..
Elmac	3	5
Erin Kirk	2	4
Flicka	1½	2
Forty Nine	93	100
Gan Cop	3	5
Geneva L	6	8
Gilbec	1	1½
Goldpac	10	15
Goodrock	1	2
Gord Lebel	1	3
Gov Gold	3	8
Grnd Chib	27	..
Greenlee	5	6
Grndhog	5	10
Halden	3	5
Habitant	2	3
Harp Mal	1½	2½
Hornfault	9	11
Hayes Cd	1	2
Hugh Pam	13	15
Independ	4	5
Islepines	..	26
Joannes D	1	3
Kamlac	17	20
Ken Bay	5½	6½
Kenda Pe	5	7
Kenroy	1	2
Kingdon	..	28
L Expanse	6	7
Lar-Add	4½	6
La Salle	5	7
Lavalie	2	3
Legardo	1½	2
Lennie	1½	2
Le Pine	3½	4
Louvore	1	1½
Mallen R L	3	4
Marbenor	9	11
Marquette	1½	3
Mar Bird	3	5
Mary Ann	5	7
Mat Con	38	42

	Bid	Ask
Metalore	4½	5½
Mate Yel	3½	5
Miles R L	3½	5
Mindus	10	12
do vt	9	12
Mink	3	5
Mistassini	2	4
Moffat H	2	3
Mohawk P	1½	2½
Morris K	1	2
Murbell	1	2
Murmac	14	16
McManus	5	7
McCuaig	4	5
Nat Mal	60	63
Nayb '45	2	4
Newcore	5	7
New Aug	11	13
New Mal	3	4
Nickel L	4	6
Nisto	21	24
N Offsets	150	200
Norbeau	85	100
Norbec	10	15
Norcourt	2½	3½
Norford	2	3
Normar	3	5
Nortyne	1	3
Novele P	3	4
Obalski old	2	..
do '45	11	14
Obaska	8	10
Oklend	4	6
Olivet	2½	4
Opemiska	11	13
Ortona	5	6
Pascalis	20	24
Pelangio	6	8
Payne	5	7
Phelps	1½	2½
Pinnacle	1	2
Poona Go	½	1½
Presdor	2	4
Privateer	18	20
Pro Divers	25	..
Quejo	3	4
Quest	2½	4
Rand Mal	10	13
Rajah R L	1	3
Raymond	1½	2½
Randona	2½	4
Redruth	4	6
Redwood	8	9
Rhyolite	2½	3½
Richgroup	7	9
Ruscet	4	6
Salmita	2	4
Santiago	5	7
Sepha	1	2
Sheldon	12	14
S Dufalt	3	5
Silv Arro	2	4
Sovereign	4	5
Skynner	1½	3
Starlight	2	4
Sun Bear	5½	7
Thornhill	1½	2½
Tiffany	1½	3
Tobico	5½	8½
Tovarich	1	2
Viking	13	15
Val d'Bel	1½	1½
Vinray	2½	4
Walcoro	1	2
Wesley	1½	3
West R L	1½	2½
Wilwood	1	2
Y Davids	24	..
Yelknife	160	..
do vt	135	..
Zolota	20	23
OILS		
Franco	55	65
Granledue	20	23
Home O	11½	11¾
Jupiter	12	15
Lingnora	4½	6
Major Oil	1½	2½
Nw Ranch	2	3
Pac Oil Re	..	5½
Princess	27	29
Universal	2	3
Westlock	6½	8
Vermilion	40	45

New Highs & Lows

During the week ended Sept. 17, 43 new highs were recorded among the general stocks on Canadian Stock Exchanges and 7 new lows. In the mining group there were 13 new highs and 13 new lows. In the western oil group there were two new highs and 3 new lows.

GENERAL

New Highs—1949

Argus Corp.
Bk. of Nova Scotia
Bell Telephone
Brazilian Tr.
B. C. Power A
Do. B
Can. Packers B
Can. Steamship
Cdn. Breweries
Cdn. Celanese
Cdn. For. Inv.
Capital Estate
Coast Breweries
Dom. Bridge
Dom. Glass
Dom. Oilcloth
Dom. Square
Dom. Stores
Fed. Grain
Gen. Products A
Gen. Steel Wares
Ind. Acceptance
Do. 5% conv. p.
Int. Paper
Do. pfd.
Int. Utilities
Loblaw B
Moore Corp. A pfd.
Do. B pfd.
Nat. Hosiery B
Nfld. Lt. & Pwr.
Ont. Steel
Ottawa Lt. & Pwr.
Page-Hersey Tubes
St. Law. Paper 2nd pfd.
Sick's Brew.
Do. V.T.
Stand. Chem. pfd.
Steel of Can.
Viau Ltd.
Walker-Hiram
Westeel

New Lows—1949

Biltmore Hats A
Con. Food Pr. pfd.
Donnell & Mudge A
Fleury Bissell
J. F. Hartz A
Mon. Knitting
People's Cr. Secs.

MINING

New Highs—1949

Ascot Met.
Bonetal
Cons. Duq.
Croinor
Dome
Heva G. M.
Nipissing
Norlartic
O'Brien
Porc. Reef
Powell R.
Union Mining
United Keno

New Lows—1949

Chesterville
Cons. Ansley
El-Pen-Rey
Goldhawk
Grandoro
Gwillim L.
Hosco
Int. Uranium
Nib Yk.
North Den.
North Inca
Vananda '48
West Mal.

OILS

New Highs—1949

Royalite N.
Tower P.

New Lows—1949

Hargal
High. Baroes
Nor. Extens.

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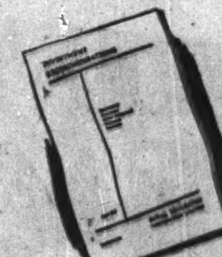

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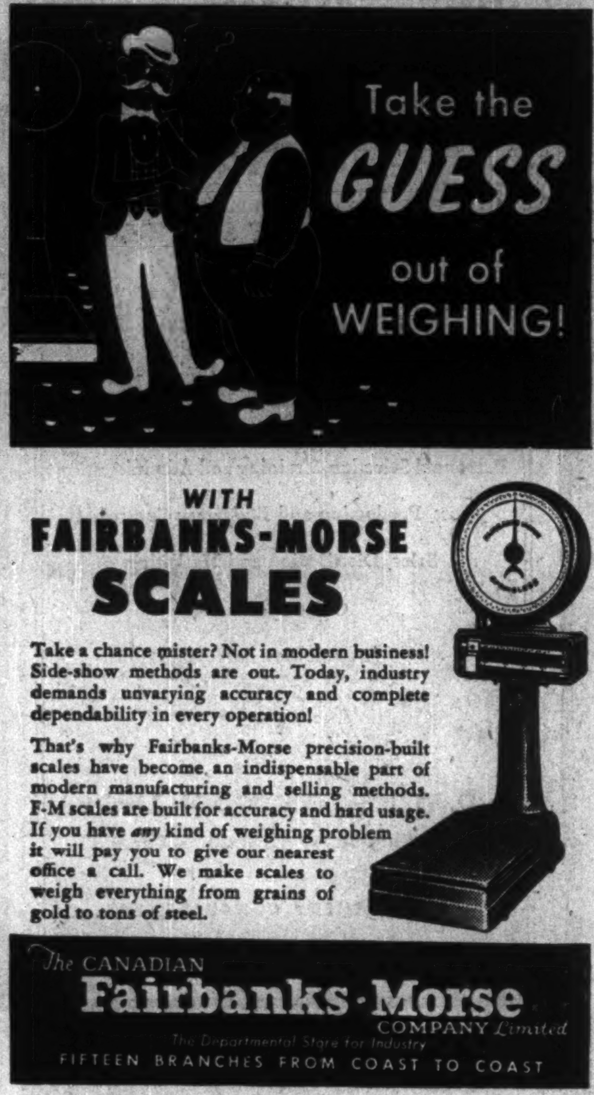

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FIFTEEN BRANCHES FROM COAST TO COAST

Base Metals, Iron Ore, May Best Gold In Aid Derived From Dollar Discount

By GORDON M. GRANT

A definite spur for production of practically all Canadian mineral products which are either sold or are saleable in U. S. markets is provided by our 10% devaluation.

But extent of the "spur" for individual items varies greatly. If Parliament changes Emergency Gold Mining Assistance Act, for instance, chief benefits of an increased gold price may go (a) to big non-subsidized producers such as Noranda and Quemont, and (b) to very efficient gold mines such as Kerr-Addison, Hallnor, Aunor; marginal mines such as Pamour, Consolidated Beattie, may find themselves doing little, if any, better if the Dominion uses the extra $3.50 an ounce as a basis for reducing subsidy payments.

Some dislocation of U. K. and other sterling area markets is almost certain for base metals, barytes and other products. The U. K. shortage of U. S. and Canadian dollars isn't going to disappear over night even with devaluation. But consensus is that prices for most of our major mineral products will advance in terms of Canadian funds.

Here is how the picture shapes up:

GOLD—

Canadian mines get $38.50 against $35. But average cost-aid under Emergency Gold Mining Assistance Act recently estimated at $3.50 an oz. Thus modification of EGMAA would cancel part of benefit to gold mining industry.

But three groups would come out better:

1. By-product gold producers such as Noranda and Quemont.
2. All low-cost gold producers with costs of about $18 an ounce or under.
3. Prospective new producers who couldn't possibly have reached production in time to come under the EGMAA "umbrella."

Newly-financed projects such as Joburke and Lunward might thus benefit materially through devaluation.

If costs continue to rise with devaluation, this will curb benefits gold mining may derive from devaluation.

BASE METALS—

Sure winners from devaluation among base metal producers appear to be International Nickel Co. and Falconbridge Nickel Mines. Their nickel output is sold in U. S. funds; bulk of their costs are incurred in Canada. About 75% of their nickel finds its way to the U. S. market.

Canadian copper for export is pretty well covered by contracts up to the end of the present year. A conference on U. K. 1950 copper purchases was deferred not long ago to await results of currency talks.

But Canada isn't expected to have any great trouble selling her copper. United States has been taking a third of our copper exports recently, the United Kingdom only half. The Canadian price of copper was marked up 1¾c to 19¾c a pound on Tuesday.

Lead is reported a little soft in the United States since devaluation but metal circles are optimistic more will be received for lead (in Canadian funds) even though Australia, a big lead producer, has slashed her currency 30.5%. Price of lead has already been advanced 1⅜c to 16½c a pound here since devaluation.

Years ago the U. S. purchased no zinc in Canada. Today she takes 60% of our exported output while only a third goes to the United Kingdom. Zinc appeared to be holding firm in New York early this week and the price rose ¾c a pound to 11¾c here.

IRON ORE—

Devaluation was good news for the iron ore business—both producing and development phases.

A 10% increase in the Canadian price for iron ore is expected to increase very appreciably the profitability of both Steep Rock Iron Mines and Algoma Ore Properties which sell bulk of their output in the United States. Newfoundland's Wabana iron ores will probably continue in good demand if U. K. industrial activity remains at a high level, but marketing may pose some near term complications while prices are worked out.

Profit potential of the Hollinger Quebec-Labrador iron ore development appears much improved with devaluation. This might speed financing of this project.

OIL—

A two-fold incentive has been provided by devaluation for increased activity in the western oil business.

Western Canada's oil price is expected to rise about 10% if the price of crude holds in the U. S. dollar area; and that appears likely, according to a spokesmen of Imperial Oil. A higher crude price will probably make many organizations lift their sights on exploratory activity.

The free dollar in New York is now close to a 12% discount—about double the rate prevailing not long ago. Free dollars are used by U. S. oil companies to finance Alberta activities. Thus U. S. oil companies can finance a greater volume of work in Alberta at an unchanged U. S. dollar cost.

Royalite Clicks On New Ground

An initial success has been scored by Royalite Oil Co. on the latest quarter section acquired in the Redwater area to give the company its 17th producer in this field.

The latest completion, Royalite No. 18-5, after acidization, has shown a potential of 70 bbl. per hour or 1,680 bbl. daily. The well will now go on test.

A second well has already been spudded in on the quarter section and is now drilling below 809 ft. Two other wells are planned for the quarter section which it is expected will be completely drilled out by mid-October.

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MINING INVESTMENTS

Noranda Empire Benefits From Dollar Devaluation

Outstanding among Canadian mining groups which will do better through dollar devaluation is Noranda Mines and its affiliates. It happens that Noranda companies didn't get much benefit out of the Emergency Gold Mining Assistance Act so that they will undoubtedly do much better no matter what the fate of the Emergency Gold Mining Assistance Act.

The Noranda mine itself is just about the Dominion's largest producer of gold. All its output will now qualify for a $38.50 gold price. Nothing extra was received under the Emergency Gold Mining Assistance Act.

Directly and through Anglo-Huronian, Noranda controls Kerr-Addison which will do very much better under devaluation. Kerr has received practically nothing under the EGMAA. Hallnor and Aunor, other Noranda subsidiaries, are in the low cost bracket, stand to do much better. Through its interest in Mining Corp. of Canada, Noranda also practically controls Quemont Mining Corp. which hasn't qualified for EGMAA dollars but which is expected to be a most important gold producer.

All in all, Noranda appears to be headed into a much more profitable period. Well-informed sources report that consideration is being given by Noranda to entry into an important new field in which Noranda hasn't previously been represented. An announcement may be forthcoming before too long.

• • •

McIntyre Wins Out

It looks as if McIntyre Porcupine Mines is going to make a sizeable profit on stored gold bullion.

At March 31, 1949, McIntyre had stored $6,436,042 of bullion, most of which had been kept on hand for over two years in anticipation of a higher price for gold. On the basis of $38.50 for gold, this represents a prospective profit of over $640,000.

There have been a few other gold mining companies which started out to store gold production. But with postwar demands on company treasuries, very few, if any, are "long" very much bullion.

• • •

Fears EGMAA Change

Concern is felt by V. C. Wansbrough, Executive Director, the Canadian Metal Mining Association, that a change in the Emergency Gold Mining Assistance Act, if decided upon could have the effect of closing up some marginal mines.

Says Mr. Wansbrough:

"In the case of marginal gold mines, benefits are doubtful until the government policy on continuing assistance to gold mines is announced. At present, some mines with high production cost are receiving up to $42 an ounce and higher for their gold. If assistance payments are cut off, these and all mines now receiving assistance will only receive $38.50 and it is doubtful if they will be able to continue operating.

"Assistance payments to date have been absorbed by increased labor costs. This 10% increase in the selling price for gold will be largely absorbed by further cost of living bonuses to mine employees and by increased costs of operation caused by the rise in the price of supplies, many of which come from the U. S.

"In government estimates for this year, $13 millions was being set aside for assistance payments. On the present production scale this will average $3.50 an ounce for all gold produced by gold mines but the larger proportion going to the mines which need the greatest assistance."

• • •

Shareholder Gets Third

According to the reasoning of Bert W. Lang, president of Broulan Porcupine Gold Mines and several other gold producers, the $3.50 an ounce increase in the price of gold will net the shareholder only about a third of this figure.

Here is how Mr. Lang works it out:

"Of the current increase of $3.50 per ounce for gold, resulting from the 10% devaluation of the Canadian dollar, about one-half will be absorbed by taxes (including personal income taxes), increases in costs will take a further portion and a maximum of a third net will accrue to the shareholder.

"Although the 10% devaluation offsets the change to parity, the present gold assistance will not equal the average total increase in wages and supplies since 1946; therefore, the gold mining industry will still remain in a less favorable earnings position than existed in 1946 prior to parity. The 30% increase in costs between 1939 and 1946 continues as a handicap as large tonnages of material which would have been mined as ore in former years will be left behind as waste."

• • •

Against Any Subsidy

A view expressed by an important gold mining executive associated with at least four producing gold mines is that a subsidy is a bad thing in principle and that with the 10% devaluation of the Canadian dollar, the emergency which caused the gold mines to get a subsidy should be regarded as over.

"I know there are some mines which have been getting more than $38.50 an ounce under the Emergency Gold Mining Assistance Act but I think it is up to the industry to worry things through now. There is still the chance of further devaluation and an increase in the price of gold. Without a subsidy, the gold mining industry would be able to hold its chin up again."

QUESABE MINES has received payment for Sept. 15 installment of 50,000 shares at 40 cents a share under agreement with Mines Development Co. Issued capital is 3,266,674 shares, leaving 233,326 in treasury.

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Will Pipeline Carry All Available Oil When Completed in Spring of 1951?

Will Imperial Oil's proposed $90 million dollar pipeline to the head of the lakes handle all available production when it's finished in the spring of 1951? Or will Alberta-Saskatchewan productive potential climb so much in the meantime that marketing will still be a problem?

That's the big question which oil men are considering just now.

Productive potential of Alberta fields is up to a level of about 100,000 bbls. daily — about 35,000 bbl. a day above the present market consumption of oil. The shipment-by-rail market for Alberta oil has been extended already so much that Alberta oil is being refined in points as far distant as Winnipeg and Vancouver.

With oil reserves under Alberta plains estimated at as much as one billion barrels, the oil industry is still going all out to drill further wells for the day when a pipeline to Superior, Wisconsin (close to Duluth) will open world markets to Canadian oil — and cut transportation charges.

Drilling The Big Factor

What extra potential may be added in the next 1½ years can't be assessed with any great degree of accuracy. But it is an established fact that drilling equipment now in western capacity could probably expand daily oil potential to 200,000 bbl a day or even greater on the basis of all-out drilling. Discovery of another field or two, of course, would serve to boost potential very rapidly.

Capacity of the pipeline will be 95,000 bbl. a day initially but this could be stepped up to 136,000 bbl. a day by addition of two extra pumping stations on the first leg of the line.

Naturally all the oil carried by the pipeline isn't expected to be additional to that at present being produced. The pipeline is expected to give more efficient transportation of oil to many present destinations. Only a small part of its capacity is expected to be used in the winter-time because lake shipping is open only seven months of the year. This, in a sense, might tend to complicate the picture of getting Canadian oil to market.

Interests financing the pipeline, of course, could hardly be expected to put up cash for extra capacity which might, or might not, be used, so that it is not surprising that a larger capacity is not being provided.

From time to time, suggestions have been advanced for an oil pipeline to the British Columbia coast. If Pincher Creek and other fields should develop in Western Alberta, it is yet conceivable that Canada might get a pipeline to the west coast as well as the proposed one to the east.

Ask New Roads To Open Up Mining Areas

If the wishes of the recent conference of Ministers of Mines in Fredericton are implemented, Canada will get new roads to open up outlying areas for more intensive prospecting, lumbering, tourist traffic and land settlement.

It is urged that the Dominion Government contribute to the cost of building roads into new mining areas as well as improvement of roads into older established fields.

Another recommendation put forward by the Mines Ministers is that provincial government cooperate with the industry to work out the "most effective and equitable means" of providing information from airborne magnetometer surveys as well as all prospecting aids.

Marketing of crude oil came up before the Mines Ministers' conference and a recommendation is now made that there should be a reduction in freight rates on Canadian heavy oils.

Coniaurum Opening New Ore In Several Sections of Mine

Coniaurum Mines has been enjoying important ore disclosures in widespread zones in lateral exploration so far in 1949. Mill rate has been stepped up to 400 tons daily from the average of 354 tons handled in 1948, and further training of underground men can conceivably bring a further increase in tonnage handled up to capacity of 525 tons daily.

In the west section of the mine on the 2,000-ft. level, No. 68 vein has been drifted on for 170 ft. averaging 0.45 to 0.50 oz. gold per ton across an average width of 5.7 ft. In the same section, a sublevel at 2,900 ft. depth, close to the boundary with McIntyre, so far shows a length of 75 ft. averaging 0.42 oz. over an average width of 4.9 ft.

A new ore structure has been located on the 4,000-ft. level north of No. 57 vein in the west-central zone tapped by No. 2 winze. This has a present length of 36 ft. showing mine average grade across 4.9-ft. widths.

On the 4,250-ft. level, No. 69 vein has been opened up for 73 ft. averaging 0.29 oz. gold over 3.8 ft.

51 Vein Gives Ore

In the east section of the mine, east of Bishop subshaft on 4,750-ft. level, upward continuity of No. 51 vein has been disclosed. There has been a drift advance of 225 ft. in ore running better than a half ounce gold over an average width of 3.0 ft.

Operating profits for the first half of the 1949 are reported at $59,403 exclusive of $54,464 cost-aid. Operating profits, including cost-aid have been at a slightly lower level in 1949 than in 1948.

WILLIAM C. STANNARD

has been elected president of the Canadian Advertising and Sales Federation. He is vice-president and general manager of Snap Co., Montreal.

ELDONA GOLD MINES has received payment for Sept. 10 underwriting of 50,000 shares at 55 cents a share under agreement with Stuyvesant-North Ltd. Issued capital is 4,550,000 shares leaving 450,000 in treasury.

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OSC Scans Mail Offerings Ends Broker-Dealer 'Rule'

In order to clamp down on wholesale mailings of stock selling literature to the United States, and to put an end to some obvious "rackets," Securities Commissioner O. E. Lennox has informed the Broker-Dealers' Association that the Ontario Securities Commission is resuming full use of its delegated power to regulate the securities business.

In a letter to the Broker-Dealer Association, Mr. Lennox declares:

"It was perhaps too much to hope that this organization, to which these powers were temporarily delegated, could, in so short a time, cultivate within the circle of its membership the necessary function of self-discipline. . . . It is felt this responsibility can best be discharged by the commission until others demonstrate more convincingly their ability to do so."

According to Mr. Lennox, a number of stock selling firms have been apparently only using Ontario as a base of operations for selling into the United States, have been doing little or no business in Ontario.

Further excerpts from Mr. Lennox's letter leave little doubt that the Ontario Securities Commission rather than the Broker-Dealer Association is now the real "policeman" in the securities business in Ontario:

"Until such time as a more favorable climate has developed, it is deemed best that the full machinery of the commission should be used to ensure compliance with the spirit as well as the letter of the law.

"It is generally recognized that the powers of supervision and investigation delegated to the association were in the nature of an experiment. It is now conceded that the facilities at the disposal of the association were not equal to the task.

"Even during this period of delegation the final responsibility for the effective interpretation of the Securities Act has remained with the commission. It is felt that this responsibility can best be discharged by the commission making full and direct use of its powers and facilities, at least until others demonstrate more convincingly their ability to do so."

Orbit Uranium Gets Pitchblende Showing

A 150-ft. long zone indicated to be radio-active has been outlined by Orbit Uranium Developments on its 25-square-mile concession in the Goldfields area with samples taken from each end, where the zone is not covered with overburden, returning uranium values.

Chemical analysis of one sample returned 3.84% uranium oxide while gravimetric chemical analysis of two other samples gave 4.67% and 13.64%. Two other samples sent elsewhere showed 4.8% and 5.28% uranium oxide equivalents.

The report from the property does not say what type of samples were taken.

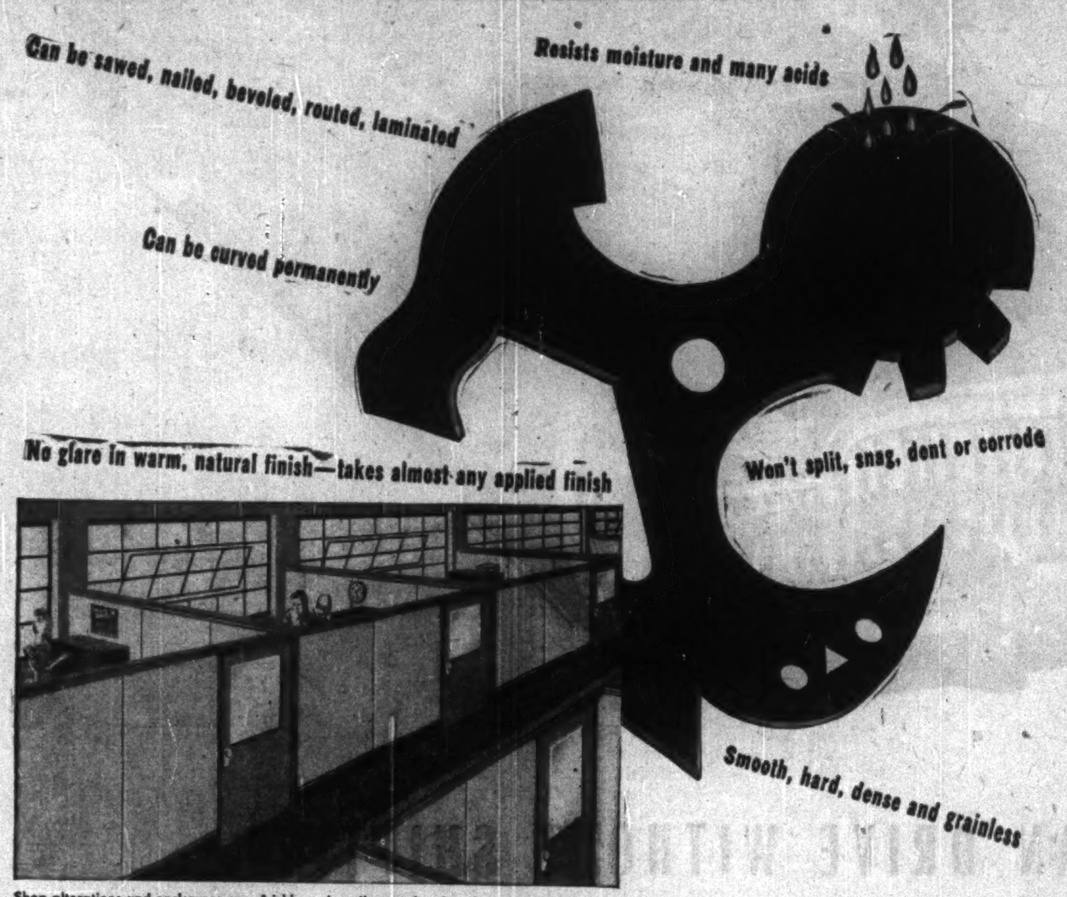
Four other radio-active zones are known and the company is now proceeding with an exploration program with additional men taken on to speed up this work.

Kirk. Lake Plans To Boost Tonnage

Improvement of mine underground facilities started in 1948 will be completed before the end of this year permitting the handling of increased tonnage, Secretary-treasurer H. F. Cassidy of Kirkland Lake Gold Mining Co. informs shareholders.

As the work has taken longer than expected, required substantial capital expenditures and has interfered with normal production, directors have decided to conserve the company's cash position by reducing the dividend to one cent a share payable Nov. 1 to shareholders of record Sept. 30. Last previous dividend was one of two cents a share paid May 2.

Taxes imposed on shareholders' dividends will be deducted where applicable, Mr. Cassidy points out with respect to latest dividend.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The BLACK HORSE "Do You Know" Advisory Panel

TED REEVE well-known sports writer
LOUIS BOURDON prominent radio singer and master of ceremonies
RICHARD PENNINGTON University Librarian, McGill University
GREGORY CLARK distinguished columnist

Do You Know...

how far birds fly to migrate?

Every year, at certain times, millions of birds in every part of the world suddenly take wing and fly varying distances to foreign climes. No one yet has been able to satisfactorily determine the prime impulse of these migrations and to fathom the great mystery of its accomplishment.

Do You Know . . . that the Arctic Tern nests within the Arctic Circle and then flies over more than 10,000 miles of ocean to winter on the islands of the Antarctic! . . . that the Grey Plover breeds in the Arctic Circle and winters in equatorial countries! . . . that swallows ringed in Great Britain have been traced to South Africa, more than 6,000 miles away!

Do You Know . . . that migrants usually fly at under 3,000 feet? . . . that the average distance flown in a day is 200 miles, even though the full flight may be thousands of miles? . . . that many species manage to cross these enormous distances without a break! . . . that even young birds, making the trip for the first time, make the flight unerringly, without guidance from the older birds!

Do You Know any interesting and unusual facts? Our "Advisory Panel" will pay $25 for any authenticated readers' submissions if they are usable. All letters become our property. Write Black Horse Brewery, Station L, Montreal, P.Q.

DAWES BLACK HORSE BREWERY

BILL: Jack, we hit on an idea at our Business Men's Lunch today that will interest you. Nearly all the firms represented do business in England, and make a practice of sending gifts at Christmas to friends and connections over there. Our firm, for instance, sends a Christmas present to every one of our Branch Managers in Great Britain.

JACK: We do much the same thing ourselves. What was the big idea that came out of all this?

BILL: Everybody knew how grateful they are for parcels of food, and agreed that a well-chosen food parcel would be an ideal gift for any business house to send out. But they all felt that selecting and packing the contents was an impossible task.

JACK: I bet I know what came next! You told them that our friends, Canadian-European Forwarders Limited, had exactly the Food Parcel Service they needed!

BILL: I certainly did! And not one of them knew there was a firm in Toronto to whom you could mail a cheque, with the name and address of a consignee, who would not only attend to *every* detail, but also unconditionally guarantee delivery. I told them, too, that in my experience these "Welcome" parcels offered more for the dollar than any others I knew of, were well and thoughtfully packed with the finest Canadian foods, and the way to handle Christmas gifts to Great Britain this year was to mail in a list of names and addresses, and a cheque, and put their minds at rest.

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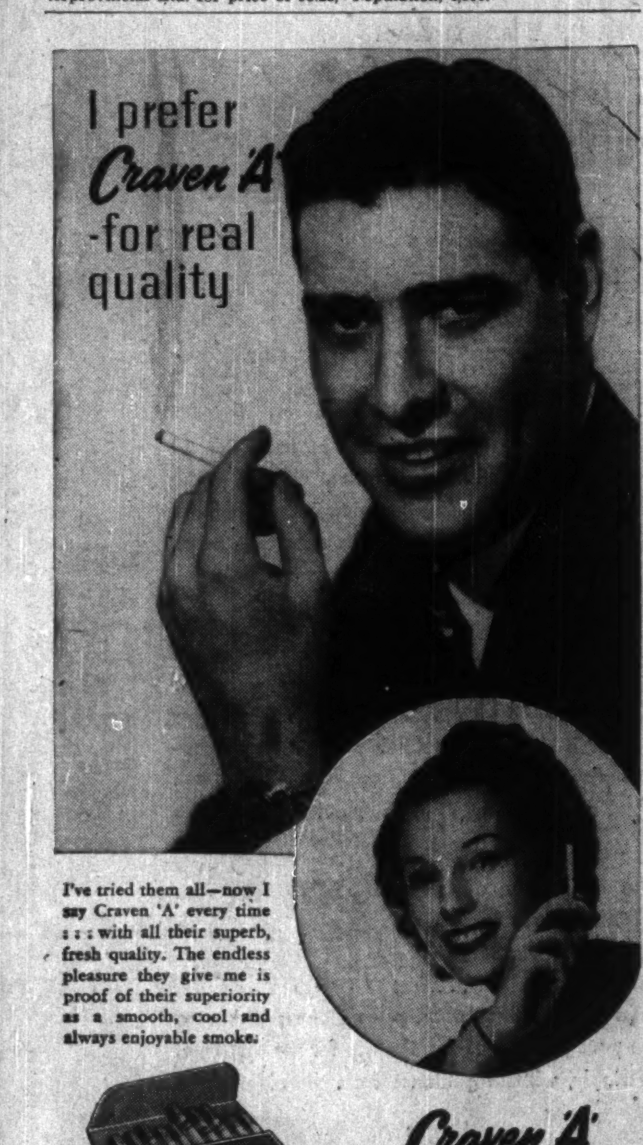

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LONDON CALLING—*By Adelphi*

Labor Government Has Another Poser: What's Best Date For an Election?

LONDON—Well, we've done it. That's the first reaction to devaluation, and for the moment it must suffice.

But after something in the nature of a lull during the summer while events were waiting on Washington, an increasing tempo has been apparent in both the political and the financial spheres. These two are nowadays so inextricably interlocked that any activity in the one produces an immediate reaction in the other.

Feeling is hardening among the politicians that the General Election may well come sooner than next June, the automatic date if Parliament runs its full time.

Apart from completing the nationalization of steel there is little left for this Parliament to do. That is certainly a big enough item but the Socialists are indifferent as to whether they get it through before the election or not. They know that if they lose the election the project is finished and if they win the election they can complete the process then at leisure in their own time.

• • •

Their main concern in picking a date for the election is tactical advantage. Herbert Morrison, Socialist Chief of Staff, is a shrewd political tactician. This chirpy little man with the boyish quiff of hair which is his gift to the cartoonists does not relish the prospect of waiting until after the winter. Anything might happen during that time. He remembers well enough how quickly unemployment rose to nearly two million a couple of winters ago when unusually hard weather brought about a fuel crisis.

Then he has to reckon with Sir Stafford Cripps. Morrison finds it hard to understand Cripps, for the latter does not bother much about party advantage. Sir Stafford is only impelled by the ruthless logic of facts. If he considers that the country's economy demands a £100 million cut in dollar imports he says so, because he considers there is no alternative.

• • •

Mr. Morrison is influenced by a number of other factors. It is not that he is politically less honest; it is that he genuinely believes that the country's advantage is served by keeping his party in power. Everyone knows that a substantial import cut in raw materials may well create considerable unemployment and that could be a deciding factor when it comes to counting the votes. Therefore Mr. Morrison would argue that we would be justified in continuing in a state of dollar crisis, which is not readily apparent to the mind of the masses, rather than have unemployment, which is.

Furthermore, Morrison is an incorrigible optimist. He makes no claim to have Sir Stafford's grasp of economic reality. He is convinced that all we need to do is to patch up the dollar/gold leak until the Socialist ship has ridden out the election storm. Time enough to deal with it then, in his view; but he would like to get the storm over as soon as possible.

• • •

Socialist Organizer Takes a Gloomy View

Even leading politicians like him, however, have sometimes to wait upon the administrators and I hear that those who are eager to dash into the fray are getting no encouragement from the little singing Welshman, Mr. Morgan Phillips, who is the party's official organizer. He takes a gloomy view of the party's readiness to go into action. In these days the party machine is all-important at election time.

For the Conservatives, Lord Woolton has created the perfect machine. To this task he has brought his great organizing ability. The brain which built up one of the most successful store businesses in the country has devoted four years to bringing the Conservative instrument to concert pitch.

The Socialists, on the other hand, now realize their error when they became overconfident after their 1945 victory. They thought then—indeed, many of them proclaimed it loudly—that a Socialist majority had come to stay for all time. In consequence they sat back and relaxed. Now they wish they had kept in training as the fight draws near, and it may well be that Mr. Morgan Phillips will insist on another six months in which to prepare. His would be almost the last word on this topic. Only overwhelming pressure of events could overrule him. Therefore you can be sure that if the election comes before April it means the Socialists feel overwhelmed.

• • •

The Tourist Trade And Legal Night Clubs

Whatever happens to dollar imports, the greatest single dollar earner of all continues to flourish and that is the tourist trade. In spite of all our troubles, or perhaps because of them, travelers continue to pour into the country and spend their very welcome foreign currency. We hardly deserve this valuable source of supply for we certainly do little enough to encourage the tourist.

• • •

It is true that Parliament has solemnly gone through the business of legalizing some night clubs in London. This, however, is not with a view to increasing their number. On the contrary, the idea is to bring them under control and the ultimate effect will be to make a considerable reduction in the provision of this form of entertainment.

It is scarcely likely that this step, taken by motherly Mr. Chuter Ede, Home Secretary, will help the tourist trade. No doubt Mr. Ede, a kindly teetotaler, thinks that visitors will be happier in the knowledge that their night club is legal. This is queer psychology. Most people are not in the least concerned as to whether their night-club is legitimate or not. Those who do give the matter a thought probably have a slight preference for the illegal.

• • •

The welfare of visitors to these places is further safeguarded by Food Minister Mr. Strachey who has just ordained how much you may spend when you get there. Mr. Strachey, tall, lean and sardonic product of Eton and Oxford, began life as a Conservative, became a Far-Leftist, associated with Sir Oswald Mosley's New Party before the latter became a Fascist, and is now a Socialist. He should therefore have a wide knowledge of affairs and he ought to know that people who go to night clubs do not want to take their nannies with them. But once you start on this planned economy there is no end to it. It must go on, even during the night watches.

• • •

Odds and Ends On People, Things

While the man in the street is worrying about his beer, which has become a costly item in his budget, the woman in the street is worrying about milk. The summer drought has caused a drop in milk yields which has brought about a real shortage and town dwellers will be lucky if they see a pint a week during the next few weeks. What annoys some people more is that here is something for which it is not easy to blame the Government.

• • •

In the City the chief interest has been in the activities of Mr. "Billy" Butlin, the holiday camp king. Two years ago this business was a money-spinner and speculators scrambled for the shilling shares which were then paying a 100% dividend and soaring up to 24/-. Now there have been differences among the directors and the shares are down to 4/-. But Mr. Butlin is not depressed though he, as the biggest shareholder, has been by far the greatest loser.

Many people think the holiday camp business reached its peak on the postwar spending boom. Mr. Butlin, however, remains confident. This week he dispatched a specially chartered airplane to Bermuda carrying some 50 carpenters, plumbers and other technicians. There he is going to build a camp which he judges will offset the decline in business here.

• • •

One of the quietest society weddings ever known is in course of preparation; that between the King's nephew, the 26-year-old Earl of Harewood (pronounced Harwood) and Miss Marion Stein, four years his junior. Some of the self-advertising socialites would do well to emulate the quiet dignity of these preparations. The keynote is avoidance of publicity. In this desire to keep their own affairs to themselves the Royal Family has always given a most praiseworthy lead.

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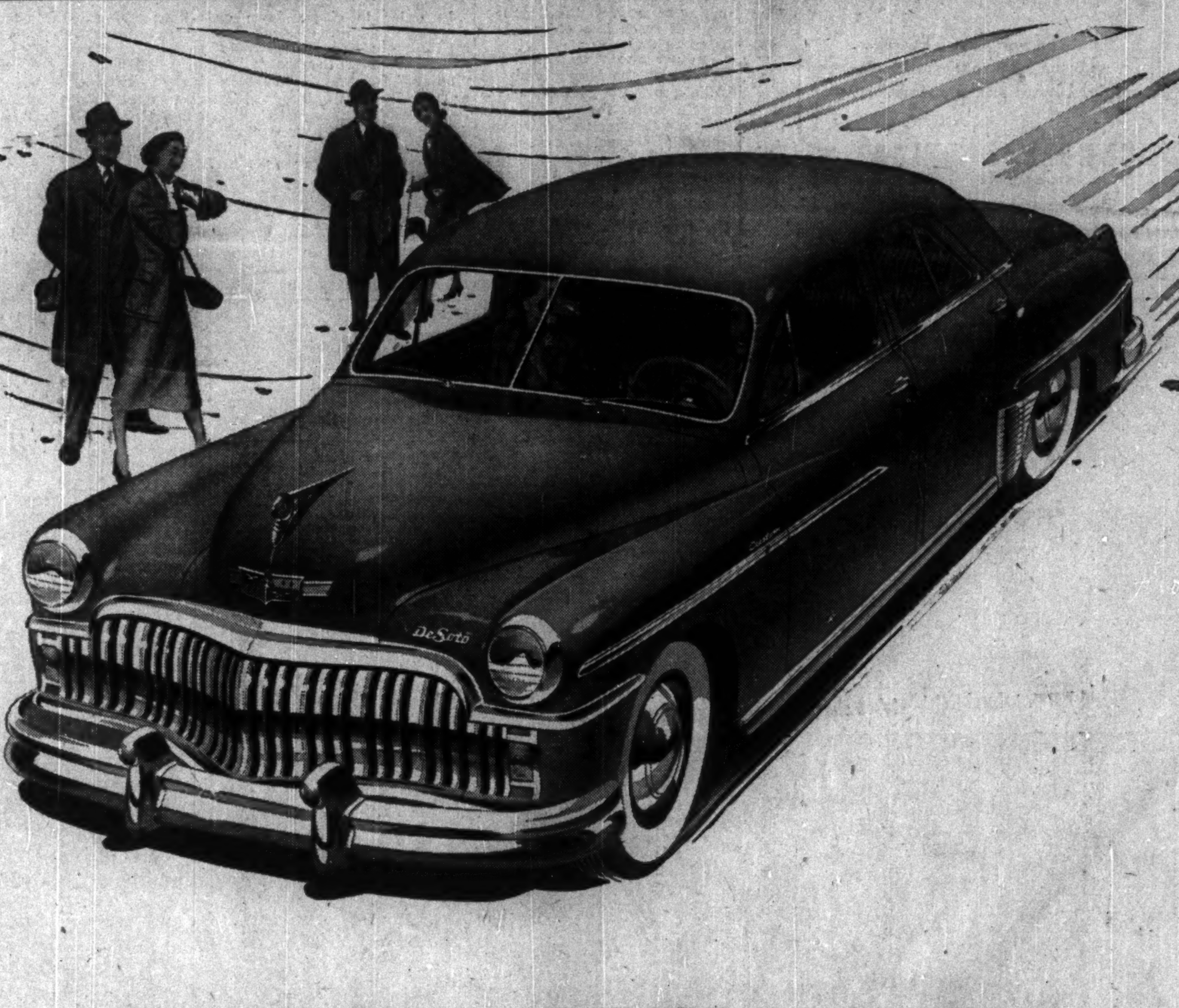

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